

AHEAD of the *Curve*

Why America's
Leading Employers
Are Addressing
the Needs of New and
Expectant Parents

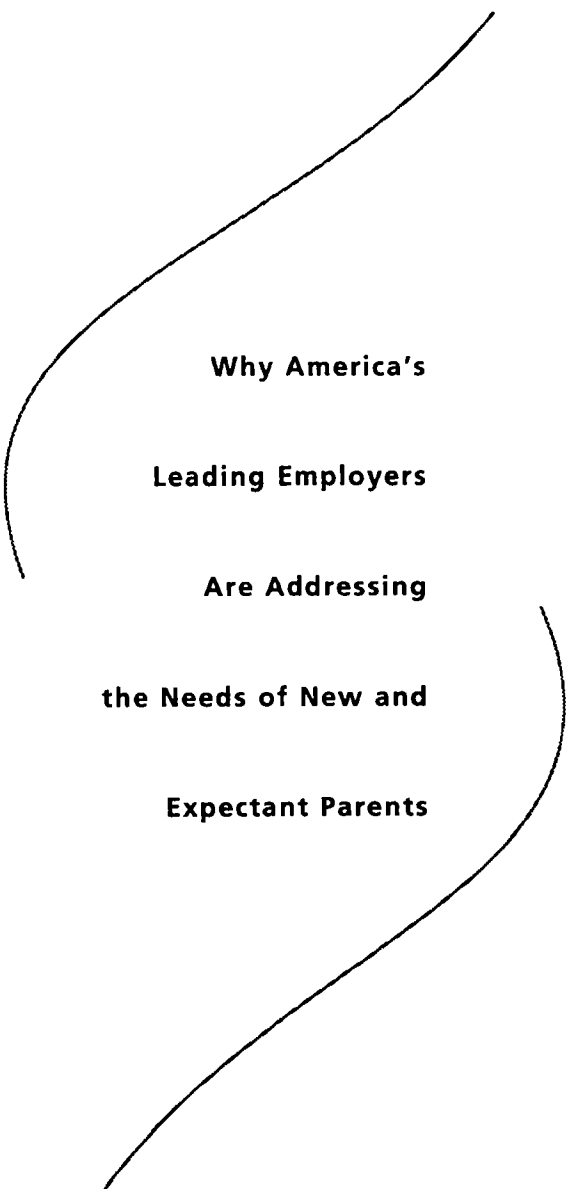
by Rima Shore



Families and Work Institute

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Families and Work Institute is a non-profit organization that addresses the changing nature of work and family life. The Institute is committed to finding research-based strategies that foster mutually supportive connections among workplaces, families, and communities.

Some other Families and Work Institute publications:

The 1998 Business Work-Life Study: A Sourcebook

The 1997 National Study of the Changing Workforce

The Changing Workforce: Highlights of the National Study (1992)

Moving from Programs to Culture Change: The Next Stage for the Corporate Work-Family Agenda

The Changing Employer-Employee Contract: The Role of Work-Family Issues

An Examination of the Impact of Family-Friendly Policies on the Glass Ceiling

The Family-Friendly Employer: Examples from Europe

The Corporate Guide to National Dependent Care Resource and Referral Services

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EXECUTIVE SUMMARY

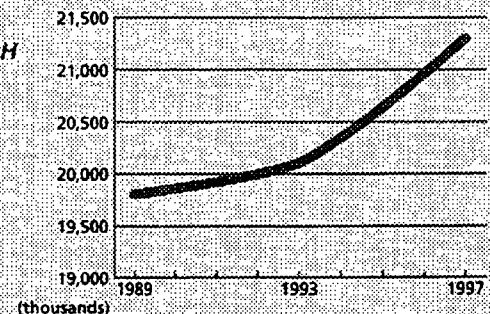
Three curves...each a soaring trajectory. Each has different labels on its axes. Each tells a very different kind of story.

The first shows a steep rise in the number of employed parents in the workforce who have young children. The second graph reflects increased work-life conflict experienced by these parents. The third curve shows the surging activity of a young child's brain in the early years of life.

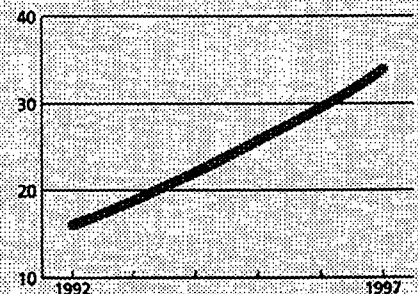
These three curves sketch, in broad strokes, the changing world of families and work. They suggest new responsibilities for parents with young children and new realities for employers. They point to opportunities that organizations of all kinds can seize in order to stay both competitive and compassionate in the new century. At the same time, these graphs foretell the demise of "as if" organizations—those that operate as if their employees had no lives outside of work.

Ahead of the Curve tells the stories behind these trajectories and discusses the lessons one can learn from them. It draws on a wide range of research, including data from two major studies recently issued by the Families and Work Institute, the National Study of the Changing Workforce (NSCW), a nationally representative study of employees, and the Business Work-Life Study (BWLS), a nationally representative study of

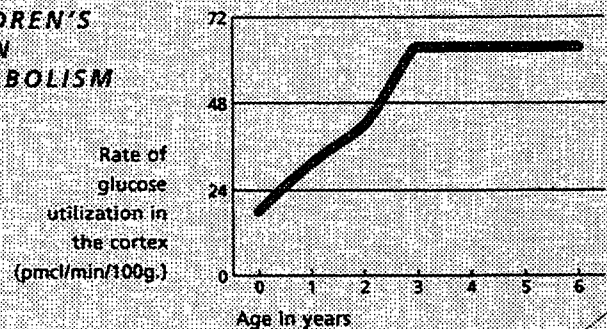
**EMPLOYED
PARENTS WITH
CHILDREN
UNDER THE
AGE OF SIX**



**EMPLOYED
PARENTS
WITH YOUNG
CHILDREN
REPORTING
SIGNIFICANT
WORK-FAMILY
CONFLICT**



**CHILDREN'S
BRAIN
METABOLISM**



employers with 100 or more employees. These two studies document the new realities faced by employed mothers and fathers and how the business community has responded. Finally, this report incorporates numerous case studies. It describes in considerable detail what some of America's leading companies—businesses of every size—are doing to stay ahead of the curve in the arena of families and work.

1. TRENDLINES: THE NEW REALITIES OF FAMILIES AND WORK

Today's Families

New parenthood often brings joy and contentment. A 1997 representative survey of young parents by Zero to Three suggests that the vast majority of parents fall in love with their newborn, feel deeply attached to the child, and experience wonder and amazement at their baby's growth and development. Some new mothers and fathers are taken by surprise at the power of the bond and their reluctance to separate from their infant, even for a short time.

Research shows that for most new parents, happiness and awe are tempered by stress and uncertainty. Of course, parenting has always been demanding, and each era brings new challenges. Today's parents are coping with new realities. Polls show that the overwhelming majority of Americans—more than 80 percent—believe that being a parent is more difficult today than it used to be. For many parents, their children's safety, surroundings, education, and exposure to the mass media are constant sources of anxiety. Moreover, most parents have to cope with shortages of key resources. In this report, we describe five challenges:

1. Most new parents experience a severe shortage of time. Well before the baby has settled into a predictable routine, it is time for one, if not both, parents to go back to work. Dual-earner families—which accounted for less than 10 percent of the workforce in the years before World

War II—are now the predominant type of family in the American workforce. Most mothers with children under the age of six, 62 percent, are now in the workforce. Most of these mothers—nearly seven million of them—hold full-time jobs. Welfare reform is expected to lift this number even higher. More parents are not only going to work, but also spend more time working. In short, time pressures are severe for most parents with young children, especially those with infants and toddlers. A survey by Zero to Three shows that half of all parents with infants and toddlers end most days feeling that they have spent less time with their young child than they had wanted.

2. Research shows that today's jobs consume not only more time, but also more physical and emotional energy. The 1997 National Study of the Changing Workforce confirms that over the past five years, jobs have become more demanding and hectic. A total of 68 percent of employees with children under the age of six report that their job requires them to work very hard and very fast—up from 55 percent in 1977.

3. Financial worries weigh heavily on many new parents. Most new parents take on significant financial responsibilities early in their work lives, when their earnings are relatively low. Single parents, whether unmarried or divorced, experience the most strain, but two-parent families with young children are also having difficulty making ends meet due to declining wages for young males. According to the 1997 NSCW, income for families adjusted for inflation has not increased over the past 20 years, despite a rapid influx of women into the workforce. Half of young children are in families with incomes under \$40,000, and one-quarter are in families with incomes under \$20,000.

4. Many new parents have to cope with a lack of security and predictability. Unpredictable or erratic work schedules make it particularly difficult to arrange stable child care. The 1997 NSCW found that 32 percent of employees with young children work evenings, nights, rotating, split, and variable shifts.

5. *Many new parents experience an information deficit.* They often lack the information and skills they need for their new responsibilities. Many new parents say that they find it hard to understand their child's feelings and needs or don't know how to handle difficult situations with their child.

In short, the conditions under which new parents work and raise children are more challenging than ever before. Despite the difficulties they face, most new mothers and fathers say that they want to do a better job. Many are motivated not only by love for their children, but also by new research showing that the kinds of experiences children have in the early years, and the kinds of attachments they form with their parents and caregivers, have an immense impact on the trajectories of their lives.

Today's Employers

Demographic data continue to motivate employers' activity in the work-family arena. But increasingly their efforts are critical components of their companies' competitive strategies. A number of current business trends strengthen the business case for family-responsive policies and practices. Today's employers have to meet some very tough challenges. We discuss five of the most important.

1. *To stay competitive companies have to create cultures that support customer retention and corporate profitability.* More and more companies are recognizing that creating an environment where employees feel valued and supported, and where they can focus on meeting customers' needs, and thus is a key to market leadership.

2. *Companies have to work harder to attract (and retain) the talent they need to succeed in a very competitive marketplace.* Business leaders know that the key to customer satisfaction—and thus to corporate profitability—is a qualified, highly motivated workforce. But these leaders can no longer count on a ready supply of qualified

workers. The 1998 BWLS found that two-thirds of employers with 100 or more employees find it difficult to fill vacancies for highly skilled jobs, and two-fifths have difficulty filling entry-level positions. Retention is employers' most important reason for instituting work-life programs.

3. *Many companies have morale problems—especially those that have gone through significant downsizing.* Employers are asking employees to work harder and smarter and to adapt to continual change; they are making these demands without guarantees of lifetime employment, steady career advancement, or higher salaries. Data from the 1992 NSCW reveal that employees who work for companies that have downsized in the past year are less satisfied with their jobs, less loyal to their employers, more likely to want to find a new job with another company, more stressed, and more burned out by their jobs.

4. *Companies have to function in a 24-hour global economy.* Globalization has led to an American economy that is not only a round-the-world but also a round-the-clock operation. More and more businesses keep their doors and their phone lines open during early mornings, evenings, nights, and weekends. As a result, more and more jobs require nontraditional work schedules.

5. *Publicly held companies have to address the concerns of investors, particularly the institutional investors who in recent years have played a more active role in influencing corporate policy.* Some of these investors represent large employee groups and are paying close attention to employment policies.

Today's Jobs

The trends that drive today's business world are likely to intensify in the next century. Leadership in the marketplace will continue to hinge on a company's ability to attract and retain top talent, satisfy customers, and meet the challenges of globalization. As a result, America's leading companies are shifting their focus from just creating jobs to creating *high-quality jobs*.

High-quality jobs provide a framework in which employees can bring all of their energy, competence, and creativity to bear on tasks at hand; work productively alone and in groups; and learn on a continuous basis. Research from the 1997 NSCW shows that the quality of jobs and the work environment are significant predictors of employee well-being and effectiveness at work. Workers with more supportive workplaces and reasonable job demands experience less negative spillover from home, less job burnout, less stress, and more effective coping, which in turn promote better performance on the job.

High-quality jobs have many traditional benefits, but those benefits are not add-ons. Rather, they are part of the organization's investment in its human capital. Companies that create high-quality jobs understand that benefits work best when everyone benefits—employers and employees.

The quality of jobs has improved somewhat over the last 20 years. The 1997 NSCW reflects some movement in the direction of more family-responsive work environments. The majority (about two-thirds) of employed parents with children under six "strongly agree" that their supervisors accommodate them and are understanding when work-family issues arise. However, a significant proportion (between one-fourth and one-third) of workers with young children perceive their workplace cultures as not supportive of their personal and family concerns.

Today's Children

The stressful conditions experienced by many new and expectant parents affect many aspects of their lives—including their physical and mental health, the stability of their relationships, and their capacity to contribute to their communities. These conditions affect their productivity on the job. Even more important, they affect their young children.

The effects may be indirect. There is growing evidence that maternal stress and prolonged depression during pregnancy or following birth

can impede or delay early childhood development. Many children experience directly the effects of stress, especially economic deprivation. Of children under the age of six, one in four lives at or below the federal poverty line.

Many researchers believe that there has been an overall decline in the well-being of young children. While some measures show improvement in recent decades, such as the infant mortality and child mortality rates, many other indicators cause concern. Millions of young children are spending their days in child care arrangements that have been rated poor to mediocre by professional research observers—and those are only the programs that opened their doors to researchers. Many children—by some estimates one in three—enter kindergarten without the skills they need to succeed in school. This is particularly alarming in light of research showing that by age seven, children are set in achievement pathways that tend to last throughout their academic careers.

2. MAKING WAVES: NEW BRAIN RESEARCH RAISES THE STAKES

In Starting Points: Meeting the Needs of Our Youngest Children, the Carnegie Corporation documents the quiet crisis that is facing America's young children and their families. The report cites the nation's high child poverty rate, the number of children who do not have the benefits of prenatal care or regular health care, the poor quality of most early care and education programs, and the number of children who enter school without solid readiness skills. Yet even these facts do not fully convey how high the stakes have become. It has now been established, based on research conducted over the last two decades, that children's early experiences have a decisive and lasting effect on the physical architecture of their brains.

Parents' and other caregivers' capacity to provide warm, responsive care to their young children

has an even greater impact on their children's development than we previously thought. In recent years, neuroscientists have established that early brain development hinges to a significant extent on the kinds of experiences children have in the first years of life and the kinds of attachments they form with their parents (and other caregivers). Researchers have shown that early experience does not merely provide a context for a child's development; it directly affects the way the brain's circuitry is wired.

The research is complex, its terminology and sheer volume at times daunting. But the message is clear: Early experience and early learning actually change the physical structure of the brain.

A newborn's brain has virtually all of the brain cells it will need for a lifetime. For the most part, however, those cells are not yet connected into the complex networks required for all of the functions that make us human, such as reasoning, communicating, cooperating, and modulating impulses and emotions. By the time children are three, their brains have formed 1,000 trillion connections. This requires considerable energy, which is why young brains function at more than twice the metabolic rate of adult brains. They form neural networks that are remarkably dense. Fortunately, most of us do not peak at age three. Something has to happen to make brains work more effectively.

Like many organizations striving for efficiency and productivity, the brain downsizes, eliminating excess connections. This process begins in earnest in the second decade of life. Like many downsizing companies, though, the brain must have some basis for deciding which connections to shed and which to keep. This is where early experience comes into play. Those connections that have been reinforced by virtue of frequent activation tend to be kept; those that have not been used at all, or often enough, tend to be eliminated. In this way, early experiences can have a profound, lifelong impact not only on children's intellectual development, but also on their emotional well-being and social adjustment.

Because young brains are so active and so flexible, the early years are filled with opportunities to expand children's capacities and enrich their lives. For the same reason, the early years are more fraught with risk than we ever knew. Negative experiences, or the absence of appropriate stimulation, can have an especially powerful impact on children's development.

Today, thanks in part to wide media coverage of new brain research, the once-wide gap between scientific knowledge and public understanding is beginning to shrink. As they shape policy, decision-makers in many fields, including business, are beginning to take into account the crucial importance of the first years of life and to reach out to mothers, fathers, and other caregivers.

3. LEANING FORWARD: LEADERSHIP IN THE WORK- FAMILY ARENA

Family-friendly employment policies are increasingly viewed as an aspect of good customer service—not as the exclusive province of bleeding hearts. The growth of the service sector and corporate attention to customer satisfaction have spurred more business leaders to place greater weight on issues of morale and to acknowledge the importance of empowering employees to work with full concentration and peace of mind. Employers are recognizing, moreover, that as the demands of the workplace become more rigorous, their ability to hire and hold onto well-qualified workers is a matter of business survival.

Strengthening Organizations

According to the 1997 NSCW, workers who perceive that the organizational culture is supportive of their family and personal needs are less stressed, feel more successful in meshing work and family life, are more loyal to the company, are more committed to their employers, are more satisfied with their jobs, and are more likely to want to remain

with their employers. But piecemeal programs and short-term solutions do not work. To bring about change, organizations must realize that work-family issues are reflected in corporate cultures and require systematic, corporation-wide solutions. And that requires leadership. It requires a willingness to create a more responsive work environment that takes employees' needs as well as business needs into account and yields a more significant bottom line.

Strengthening Communities

In little more than a decade, the range and prevalence of employer work-life initiatives have grown exponentially. However, even companies with the most foresight have found it difficult singlehandedly to meet the diverse needs of families, especially those with young children. Moreover, many have concluded that it makes little sense to duplicate the efforts of community-based organizations and agencies. There is greater recognition that family-responsive organizations must move beyond their front doors, forging stronger connections with their communities.

Today, more companies are expanding their notions of family friendliness to include community friendliness. Some are concluding that it is not enough to refer employees to care in the community, because there may not be enough care, or the quality of care may not be good enough. These companies have begun making investments in the long-term process of building the supply and increasing the quality of local services. In the realm of child care, for example, some companies are investing in their communities' capacity to provide parents with affordable, high-quality early education and care.

Strengthening the Nation

Business leaders have always had a powerful impact on American society in general and, in particular, on the ways we think about social relations. In the early years of this century, Taylorism and the factory model, which took a modular approach to work and social organization, affect-

ed institutions and ideas well beyond corporate walls. In recent decades, the corporate world's emphasis on quality and service, reflected in quality circles and Total Quality Management, has influenced many aspects of our culture, including efforts to reform government, education, and the human services.

Many observers believe that in coming decades, business thinkers will most forcefully influence American life in the realm of "people issues." These observers point out that at the heart of modern companies lie covenants between employers and employees. These covenants constitute a social contract that is confined neither to the workplace nor the workday. Work has always been a crucial institution in American society. Today, work continues to be woven tightly into the woof and warp of our nation's life, but the strands crisscross in new ways.

The world of work is assuming a more important place in the lives of many Americans. For many employees, the workplace *is* their community. As a place, a social context, and a culture, the workplace affects employees' moods, energies, and values, the way they raise and socialize children, the values they form and pass on. As a ritual of American life, the company picnic now rivals the church picnic. Volunteerism, always a strong suit of Americans, now tends to be organized through the workplace. The workplace is one of the key settings in American society where building social capital (the social "glue" that holds organizations, communities, and societies together) is an explicit, daily concern. A rapidly expanding service sector means that more and more jobs are relationship-based and involve customer contact. Moreover, in the information age, knowledge has become companies' most vital asset, and that knowledge is embedded in social networks.

Because work threads so many strands through the fabric of American life, the nation's well-being may be measured not only by the number of jobs our economy creates, but also by the quality of those jobs. Leaders in the work-family

arena have long held that corporate policy-makers have to take family and personal life more fully into account. Today, it is not only employers who need to take a broader, more realistic view of peoples' lives. Decision-makers in many fields—including education, health care, and a wide spectrum of other human services—must factor into their thinking the importance of the workplace. As they rethink policy and practice, they must take into consideration the changing role of work in American life.

4. SOLUTIONS: MEETING THE NEEDS OF WORKING PARENTS AND THEIR YOUNG CHILDREN

Helping Employees Prepare for Parenthood

Strategies for supporting and empowering new and expectant parents cannot wait until children arrive. They must begin much sooner, as prospective mothers and fathers contemplate parenthood.

Planning for parenthood. Deciding whether and when to have children is a private matter rooted in personal history, cultural convictions, and religious beliefs. For many Americans, questions of vocation and economics also play a role. As is so often the case, private decisions have public consequences. Research shows that children thrive when they are wanted. Voluntary family planning helps families space and time births so that they can meet the needs of each child and ensure that mothers are in good health for the next pregnancy. When accompanied by quality health care, planned childbearing has been shown to reduce the likelihood of infant mortality and low birthweight, increase the likelihood of breastfeeding, and reduce delinquency and drug abuse later in the child's life.

Planning for adoptive or foster parenthood. For parents seeking to adopt children or to become foster parents, the planning process can be just as important. Like all parents, they need to prepare themselves, their families, and their homes for the arrival of new children; they need to

think ahead about their schedules, sources of support, child care options, health care providers, and other practical matters. In addition, they may want help addressing issues specific to adoptive or foster parenthood: the range of options open to them, the legal and emotional challenges of non-biological parenthood, and the financial and other resources required for their new roles. Many companies now extend to adoptive and foster parents most or all of the benefits they provide to other parents. At the same time, some employers also provide them with information, counseling, and referral services; some help to defray the considerable costs of adoption.

Preconception health care and counseling. There is proven value in a medical visit and evaluation specifically timed with parents' decision to consider having a child. Preconception care can also help prevent specific birth defects. Preconception care is still a relatively new concept and is not routinely made available to many employees. However, as more companies perceive the benefits of this service, it may become more prevalent.

Treatment for substance abuse. Health care and other human-service providers may be able to help expectant and new parents break habits that threaten their babies' healthy development. Recent research sheds light on how exposure to alcohol, nicotine, and narcotics affects babies before and after birth. It shows that the risks to young children may be even higher than many parents realize.

Prenatal care. Too many women in this country do not get adequate prenatal care because they lack insurance, resources, motivation, or knowledge. About one in five pregnant women receives no care during the crucial first trimester; for African American, Latina, and American Indian women, the figure is one in three. Mothers who receive adequate health care and advice during pregnancy are less likely to have low-birthweight children. This is extremely important, since there has been an increase in the number of low-birthweight babies in recent years. These babies are at greater risk for developmental delays and impairments.

Family Health Insurance Coverage

Family health insurance coverage is one of the most important work-family benefits offered by employers. The 1997 NSCW found that the vast majority (84 percent) of working parents with children under the age of six have access to family health-insurance coverage from their employers. However, 5 percent of employees have no health insurance from any source; this figure rises to 11 percent for single parents and 12 percent for workers in low-income households.

Helping New Parents Survive and Thrive

Health care. Prenatal care helps to ensure babies' healthy development, but it alone is not sufficient. Infants and toddlers need well-baby care on a regular basis. They need regular checkups and a full complement of immunizations. In addition, their growth and development need to be monitored at regular intervals. Research shows that young children who visit the doctor on a regular basis get sick less often than children who do not.

Parent education. No company would consider thrusting an inexperienced worker into a complex, high-responsibility job—particularly a job that included life-and-death decision-making—without intensive training. Yet that is exactly what happens when most Americans take on the responsibilities of parenthood. Virtually all parents can benefit from the kinds of information and guidance that help them understand and respond to their children's physical, intellectual, and emotional growth, particularly in the early years when development proceeds at such a dizzying pace. According to the 1998 BWLS, a quarter of today's companies are responding to this need by providing workshops or seminars on parenting, child development, care of the elderly, or work-family problems.

Home visitation. Home visiting is a very powerful way to help parents adjust to the demands of a newborn, seek answers to pressing questions, link up with community services, and gain specif-

ic parenting skills. When home visitation programs begin before a child's birth, they can help expectant mothers cut down or stop smoking and improve their nutrition; they have been shown to result in fewer preterm infants and fewer low-birthweight babies. In the early months of life, these programs have been shown to improve the quality of care children receive, child development, and the mother's ability to seek and hold a job and plan future pregnancies.

Breastfeeding. Researchers have found that breastfeeding is associated with small but detectable increases in cognitive ability and educational achievement. Without planning and support by employers, however, nursing can be very difficult. Only 10 percent of working mothers continue nursing for six months following birth, compared to 24 percent of at-home mothers. Today, more companies are helping mothers return to work without denying their infants the benefits of nursing. The 1998 BWLS shows that more than one-third of employers (37 percent) provide opportunities for women who are nursing to continue to do so by expressing and storing breastmilk at work. Lactation assistance programs have been shown to decrease health care costs for mothers and infants while cutting down on absenteeism.

Coping with high-risk babies. Child development experts are beginning to suspect that intervention at kindergarten provides much less benefit than in the prenatal period and the first weeks of life. Research shows that early intervention for high-risk children is a sound investment. Early intervention boosts children's developmental and educational gains, improves family functioning, and reaps long-term benefits for society. When early intervention is well-timed and high in quality, it can shrink education costs by reducing the need for special education or remedial services and cutting the retention rate.

Connecting with community services and resources. Many communities have organizations and services that can help parents negotiate the difficult first months, such as parenting hot lines,

health care and social-service agencies, drop-in centers, and voluntary home visiting programs. However, parents cannot take advantage of these resources if they do not know about them or cannot get to them. It can be difficult for parents to maneuver through the system. In the absence of concerted outreach efforts, parents may have no idea that help is available.

Time for Parenting

An expanding body of research shows that children thrive when they have the opportunity to form a strong attachment to at least one loving adult—a mother, father, or other caregiver. A secure attachment fosters healthy growth across the developmental spectrum. It also promotes good health. Researchers have found that young children who are anxiously attached to their primary caregiver use acute care services (walk-in and emergency room) significantly earlier and more often than those with a secure attachment.

Parental leave. Americans place a high value on parental leave—especially for mothers. The Family Medical Leave Act (FMLA) of 1993 has given many more parents the opportunity to care for their children full-time during the crucial first months of life. FMLA provides 12 weeks of unpaid, job-guaranteed leave for childbirth or adoption for employees who have worked at least 1,250 hours over the preceding year for an employer with 50 or more employees within a 75 mile radius of their worksites. While FMLA does not cover all workers, it extends parental leave to a significant percentage of parents: An estimated 41 percent of employed mothers and 49 percent of employed fathers qualify.

Of the employers surveyed in the 1998 BWLS, 33 percent provide more than the 12 weeks required by FMLA for maternity leave, with 1 percent clearly out of compliance with federal law. Sixteen percent of companies offer more than 12 weeks of paternity leave; 13 percent offer from 13 to 26 weeks; and 3 percent offer more than 26 weeks. Ten percent provide fewer than 12 weeks, with 2 percent being clearly out of compliance with federal law.

Flexible scheduling. In recent years, more companies have recognized that flexible scheduling does not cut productivity; in many cases, it allows working parents to be more focused and efficient on the job. A report by the Conference Board concludes that, “[F]lexible work schedules increase employee responsibility, independence and growth potential, thus motivating the employee....” Today, according to the 1997 NSCW, 44 percent of employed parents with young children have access to traditional flextime: They are allowed to select their starting and quitting times within a specified range of hours. Fewer working parents (26 percent) can change their starting and quitting times on a daily basis. Lower-wage workers are less likely to have this option.

Working at home. While flextime has been part of the business scene for some time, flexplace policies are relatively new. These policies allow employees to work off-site—at home or elsewhere—some or all of the time. As electronic communications become more common and more affordable, working at home becomes feasible for more workers. Some companies, especially those in high-tech industries, actively encourage telecommuting. The 1997 NSCW found that about one-quarter of wage and salaried employees either are, or could choose to be part of the telecommuting workforce. Overall, 19 percent of employees with young children work at least part of their regularly scheduled hours at home, and an additional 7 percent say that they would be allowed to do so.

Solving the Child Care Puzzle

More than half of employed women with children under the age of six say that child care is a serious problem. Most children move in and out of different arrangements and spend their time in multiple settings over the course of their early childhood years—and often within a single day. Transporting children from one setting to another, and

helping them manage the transitions, are among the challenges that parents and child care providers face. It is little wonder that stress ranks as working women's number one problem; the problem is even more acute for single mothers. When child care problems are chronic, parents don't just miss work; they may leave their jobs altogether. The Child Care and Employment Turnover study found that mothers who do not have access to a center-based child care program within 10 minutes from home were almost twice as likely to leave their jobs as those who did.

On-site child care. When people think about employer assistance with child care, they tend to picture a child care center at or near the worksite. In fact, relatively few employees want child care at work, and relatively few employers want to provide it. Workers at small companies are less likely to have access to on-site child care. Where it is feasible and desired, child care at the workplace is highly appreciated. It can alleviate worry about children's well-being and result in greater satisfaction with the quality of care children are receiving. Today, 12 percent of employees with children under the age of six report that they have access to a child care center operated or sponsored by their employers at or near their workplaces.

Financial assistance for child care. In contrast with many other industrialized countries, our nation begins investing public funds in education only when children reach elementary school at age five or six. Parents pay 75 cents out of every dollar spent on child care in the United States. (As things now stand, business pays only a penny.) According to the 1997 NSCW, 12 percent of working parents with young children receive direct financial assistance with child care fees from their employers in the form of vouchers, cash, or scholarships. Part-time employees and those who work for smaller employers are the least likely to get financial aid. Thirty percent have access to Dependent Care Assistance Plans (DCAPs): Employees deposit part of their pretax wages into an account that can be used to reimburse child care costs.

Emergency backup. Child care is a realm where even the best-laid plans usually do go astray. One-third of working parents with children under the age of six surveyed in the 1997 NSCW said that they had needed to make special child care arrangements at least once during the previous three months because their usual arrangements were not available. The results can be devastating for parents and employers alike. Indeed, the great majority of employers are affected by unstable child care arrangements: In a survey conducted by the National Conference of State Legislatures, 80 percent of employers reported that child care problems force employees to lose work time. Employed mothers with children under the age of six miss an average of 8.5 days per year because of family-related issues such as sick children. Employed fathers with children under the age of six miss an average of 5 days. For these reasons, more and more companies are offering emergency backup care.

Care for sick children. While the Family Medical Leave Act requires companies to give parents time off to care for very sick children, employers have discretion about giving employees time when their children come down with less serious illnesses—the colds, flus, and upset stomachs that keep children out of school for a few days. According to the 1998 BWLS, the average number of days per year that employers allow for children's illnesses is 11. Twenty-five percent of employers say that the number of days they allow depends on the situation; 9 percent say they give parents as many days as they need. Five percent of companies provide child care for the mildly ill children of employees. According to the 1997 NSCW, about half (49 percent) of working parents with small children say that they can take a few days off to care for a sick child without losing pay, without using vacation days, and without having to invent a reason for the absence. But only 36 percent of lower-income parents and 37 percent of single parents can take time off to care for sick children without losing pay.

Child care during nontraditional work hours. Finding child care is especially difficult for employees who work evening or weekend hours or for those who have rotating shifts. More and more U.S. workers find themselves working nontraditional hours as the trend toward a global, service-based economy intensifies. Most child care providers offer day care during the traditional working hours of nine to five. A recent General Accounting Office (GAO) survey of child care providers found that only a minority (from 12 to 35 percent) offer care during nontraditional hours; most of these providers work out of their homes and have room for relatively few children. Weekend work is also problematic. Data from the 1989 National Child Care Survey show that one-third of working poor mothers (incomes below poverty) and more than one-fourth of working-class mothers (annual incomes above poverty but below \$25,000) work weekends. Yet only 10 percent of centers and 6 percent of family day care homes report providing care on weekends.

5. LEARNING CURVES: NEW INSIGHTS INTO FAMILIES AND WORK

Today, leaders in every sector of the American economy are making a crucial conceptual shift: They are recognizing the importance of aligning their organizations' business strategies with their people strategies. In the process, they are beginning to take an ecological view of their workplaces and workforces, looking more closely at how the various contexts and circumstances in which employees function day-to-day affect their motivation, productivity, and loyalty.

Take-Home Lessons from America's Leading Employers

Many lessons can be distilled from the volumes of data and dozens of case studies that went into *Ahead of the Curve*.

- Work-life initiatives can be integral components of corporate efforts to improve profitability and customer service.

- Efforts to address the needs of employed parents must also address the needs of other employees.
- Programs and policies to address the needs of employed parents are necessary but not sufficient.
- Programs and policies are more effective when they are part of a coherent web of services.
- As they plan work-life initiatives, companies must take into account not only their own policies and practices, but also the availability and quality of resources in employees' communities.
- Management outlook and workplace culture are key to meeting the needs of new and expectant parents.
- Efforts to train managers in problem-solving to address the needs of both the employee and employer have been found to increase supervisor and workplace support.
- The quality of the job as well as the supportiveness of the workplace must be seen as integral to work-life assistance.
- Diversity at the top is a predictor of innovation and effectiveness in the work-family arena.

Unequal Opportunity

Benefits that are distributed inequitably or perceived to be unfair cannot advance employers' goals. Too often, work-family initiatives are inaccessible to the employees who may need them most. A major finding of the Family and Work Institute's research is that the working parents who have the greatest need for services and flexibility are often the least likely to receive them. While

family-friendly policies and practices have grown dramatically over the past two decades, they tend to serve more advantaged workers.

- Workers with higher wages are more likely than their lower-wage counterparts to have access to a wide range of benefits.
- Fathers have more access than mothers to most forms of work-family assistance.
- Employed parents who work for larger employers have greater access to work-family programs and policies that require expenditures by employers.

Major Challenges

To be sure, there has been progress in recent years in the realm of families and work. More companies are waking up to the competitive advantages that can be gained by family-friendly policies. But a great deal remains to be done, especially in relation to new and expectant parents. Four challenges are especially urgent.

- First, make corporate culture more responsive to working parents.
- Second, expand family health insurance coverage.
- Third, ensure that parents have adequate time for parenting.
- Fourth, support efforts to ensure that all working parents have access to affordable, high-quality child care.

All of the trajectories described in this report point to one conclusion: To a greater extent than ever before, marketplace leadership requires leadership in the work-family arena. As Walter Bennis has written, “Managers do things right; leaders do the right things.” Today’s leaders are recognizing that the “right things” are policies and practices that protect and enhance a company’s human resources. In the coming century, the organization that responds to the realities of employees’ day-to-day lives will be ahead of the curve. The “as if” organization—the company that continues to operate as if its employees had no outside lives—will be history.

TRAJECTORIES

The Changing World of Families and Work

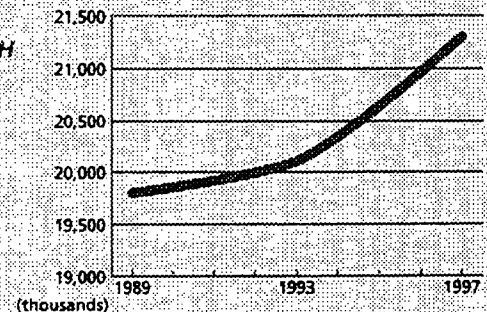
Three curves...each a soaring trajectory. Each has different labels on its axes. Each tells a very different kind of story.

The first shows a steep rise in the number of employed parents in the workforce who have young children. The number has climbed steadily in recent years, due in part to the growing number of women working outside of the home. Today, across the United States, more than 25 million workers who are employed or are actively seeking employment—nearly 20 percent of the civilian workforce—are new or expectant parents: They either have children under the age of six or will become parents within a matter of months.¹ This is a staggering figure—a number approaching the total population of Canada.

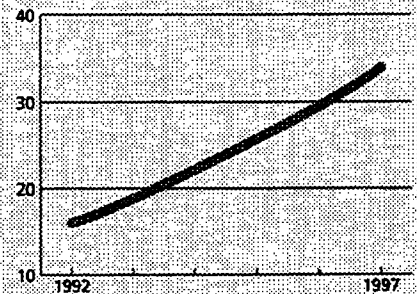
The second graph reflects heightened strain experienced by these parents. The last five years have witnessed sharp growth in the percentage of employed mothers and fathers with children under the age of six who report significant work-family conflict.²

The third curve shows the surging activity of a young child's brain in the early years of life. This increase in brain metabolism corresponds to the formation of trillions of connections among brain cells. Recent brain research shows that young children's brains are more active and more responsive to experience than scientists ever realized and that these experiences affect the way the brain is wired.

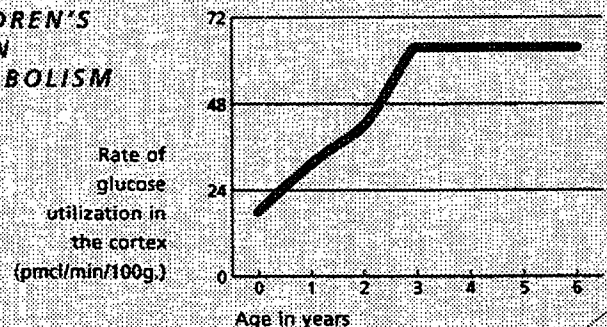
EMPLOYED PARENTS WITH CHILDREN UNDER THE AGE OF SIX



EMPLOYED PARENTS WITH YOUNG CHILDREN REPORTING SIGNIFICANT WORK-FAMILY CONFLICT



CHILDREN'S BRAIN METABOLISM



Moreover, the connections formed in response to early experience affect the extent and nature of capacities in adulthood — how we think, feel, and relate to others.³

New Opportunities

These three curves sketch, in broad strokes, the changing world of families and work. They suggest new responsibilities for parents with young children and new realities for employers. They point to opportunities that organizations of all kinds can seize in order to stay both competitive and compassionate in the new century. At the same time, these graphs foretell the demise of “as if” organizations—those that operate as if their employees had no lives outside of work.

Ahead of the Curve tells the stories behind these trajectories and discusses the lessons one can learn from them. It draws on a wide range of research, including data from two major studies recently issued by the Families and Work Institute, documenting the patterns suggested by the research and describing the challenges they imply.

New Research

This report draws on a large and expanding body of research documenting changes in families and work and the implications of those changes for policy and practice. This research comes from scholars and institutions associated with business, such as the Conference Board and the Committee on Economic Development; other data come from researchers and organizations in the early childhood field, such as Zero to Three and Quality 2000.

But much of the new data presented in this report come from two national studies released in 1998 by the Families and Work Institute.⁴ One is a study of employees and one a study of employers. The samples from the two studies are not strictly comparable, but when their conclusions are set side by side, they create a nuanced portrait of workaday America.⁵

The first study is the National Study of the Changing Workforce (NSCW). Conducted every five years by the Families and Work Institute, it is a study of both the work and the personal/family lives of a nationally representative sample of the U.S. workforce. Analysis of the 1997 NSCW addresses two questions that relate directly to the experiences of new and expectant parents:

- To what extent do working parents with children under six have access to family-friendly workplace programs and policies, better quality jobs, and more supportive workplace environments?
- Which working parents are more likely to have such access?

The second study is the Families and Work Institute’s 1998 Business Work-Life Study (BWLS), which examined the programs and policies and workplace environments provided by a representative sample of companies with 100 or more employees. The 1998 BWLS enables us to ask the following:

- To what extent do companies provide family-friendly workplace programs and policies and supportive workplace environments?
- Which companies are more likely to provide this support?

New Insights

Traditionally, studies of work and family examine the effect that employees’ ability to balance responsibilities at home and on the job has on corporate productivity. The studies have shown that programs aimed at helping employees manage this balancing act are good for the bottom line.⁶ This

report reaches a similar conclusion. Bolstered by new data, however, it goes a step further, offering a broader view of the family-work nexus. It reflects the fact—supported by recent research—that as we move into a new century, work and the workplace are playing a different and bigger role in American life than ever before.

Finally, this report incorporates numerous case studies. It describes in considerable detail what some of America's leading companies—businesses of every size—are doing to stay ahead of the curve in the arena of families and work.

TRENDLINES:

The New Realities of Family And Work

New parenthood often brings joy and contentment. A 1997 representative survey of young parents by Zero to Three suggests that the vast majority of parents fall in love with their newborn, feel deeply attached to the child, and experience wonder and amazement at their baby's growth and development.⁷ Some new mothers and fathers are taken by surprise at the power of the bond and their reluctance to separate from their infant, even for a short time.

The emotions and the responsibilities that accompany new parenthood seem all-consuming; the world seems to revolve around the new baby. And yet, somehow, the outside world goes on. It may be willing to release new parents from its grip for a few days or weeks, but it very quickly reasserts itself. Bills arrive. The starter supply of diapers runs out. The answering machine blurts out messages from coworkers: "Where is the contract for the Cellonsite account?" "Those parts haven't arrived—were they ordered?" "When are you coming back?"

Research shows that for most new parents, happiness and awe are tempered by stress and uncertainty. Of course, parenting has always been demanding, and each era brings new challenges. Raising children during the Depression or during wartime was certainly stressful for previous generations of mothers and fathers.

Today's Parents

Today's parents are coping with new realities. Polls show that the overwhelming majority of Americans—more than 80 percent—believe that being a parent is more difficult today than it used to be.⁸ For many parents, their children's safety, surroundings, education, and exposure to the mass media are constant sources of anxiety. Moreover, most parents have to cope with shortages of key resources.

First, most new parents experience a severe shortage of time. Well before the baby has settled into a predictable routine, it is time for one, if not both, parents to go back to work. Today, most two-parent families are also two-earner families. In fact, dual-earner families—which accounted for less than 10 percent of the workforce in the years before World War II—are now the predominant type of family in the American workforce. Most mothers with children under the age of six, 62 percent, are now in the workforce. Most of these mothers—nearly seven million of them—hold full-time jobs. Welfare reform is expected to lift this number even higher.⁹

More parents are not only going to work, but also spend more time working. The 1997 National Study of the Changing Workforce shows that employees (with and without children) spent an average of 44 hours per week on work related to their main or only job. When time spent on other jobs is added, the average workweek increases to 46

hours. Compared to 20 years ago, the average amount of time spent on the job has increased by 3.5 hours per week. This puts strain on all workers—but especially on new parents.

Employees with young children work long hours. In fact, employed fathers with children under the age of six average more work hours per week (51.6) than any other category of workers. On average, employed mothers with children under the age of six spend 40.8 hours working; this figure includes mothers who work part-time.¹⁰

In addition, being the parent of a young child is very time-consuming: On workdays, employed mothers with young children spend on average nearly four hours, and employed fathers nearly three hours, caring for and doing things with their children. On non-workdays, mothers spend nearly 11 hours, and fathers nearly eight hours, caring for and doing things with their children.¹¹

In short, time pressures are severe for most parents with young children, especially those with infants and toddlers. A survey by Zero to Three shows that half of all parents with infants and toddlers end most days feeling that they have spent less time with their young child than they had wanted.¹²

Moreover, a number of recent business trends—including a global, round-the-clock economy and robust job growth in the service sector—mean that parents are more likely than ever before to work nontraditional hours. In 1995, 29 percent of the American workforce, and 34 percent of female employees, had nontraditional work arrangements.¹³ It is sometimes assumed that working mothers prefer to work nights or weekends; in fact, relatively few choose nontraditional hours.¹⁴

Second, research shows that today's jobs consume not only more time, but also more physical and emotional energy. The 1997 National Study of the Changing Workforce confirms that over the past twenty years, jobs have become more demanding and hectic. A total of 68 percent of

employees with young children report that their job requires them to work very hard and very fast—up from 55 percent in 1977. Fully 60 percent say that they never have enough time to get everything done on the job—a substantial increase from 40 percent in 1977.¹⁵ Moreover, today's employees are more likely to bring work home from the job.

Third, financial worries weigh heavily on many new parents. Most new parents take on significant financial responsibilities early in their work lives, when their earnings are relatively low. Single parents, whether unmarried or divorced, experience the most strain, but two-parent families with young children are also having difficulty making ends meet due to declining wages for young males. From the early seventies to the late eighties, the mean annual earnings of young, high school-educated men working full-time dropped by 16 percent. For those who did not complete high school, the drop was almost twice as steep. In part, this reflects the growing scarcity of low-skill, high-wage jobs, especially in the manufacturing sector. Many young men have been forced to take lower-paying jobs in the service sector.¹⁶

Increasingly, families need two incomes to sustain even a modest middle-class existence. In polls, the great majority of Americans agree that it is getting to be impossible to support a family on just one income.¹⁷ And in fact, most mothers return to work very soon after a new baby arrives—most within the first year. The 1997 NSCW found that household income adjusted for inflation for employees in general as well as for employees with children has not changed over two decades despite the fact that women have entered the workforce in record numbers.¹⁸ The bottom line: Half of young children are in families with incomes under \$40,000, and one-quarter are in families with incomes under \$20,000. Many parents work but earn incomes below the poverty line. The number of children in working-poor families has increased significantly over the last decade.¹⁹

A survey by The Commonwealth Fund shows the consequences. One-third of families with incomes under \$40,000 report some difficulty in paying for such basic child supplies as formula, food, diapers, clothes, and shoes; nearly one-quarter report some difficulty in paying for the child's medical expenses.²⁰ The need for child care further strains family budgets. For most working parents with young children, child care is the second or third largest item in their household budget.²¹

Fourth, many new parents have to cope with a lack of security and predictability. Nontraditional schedules affect the lives of millions of families. Unpredictable or erratic work schedules make it particularly difficult to arrange stable child care. The 1997 NSCW found that 32 percent of employees with young children work evenings, nights, rotating, split, and variable shifts.²² Other researchers have found that nearly half of working-poor parents work on rotating or changing shifts.²³

And fifth, many new parents experience an information deficit. They often lack the information and skills they need for their new responsibilities. Many new parents say that they find it hard to understand their child's feelings and needs or don't know how to handle difficult situations with their child.²⁴

In short, the conditions under which new parents work and raise children are more challenging than ever before. Despite the difficulties they face, most new mothers and fathers say that they want to do a better job.²⁵ Many are motivated not only by love for their children, but also by new research showing that the kinds of experiences children have in the early years, and the kinds of attachments they form with their parents and caregivers, have an immense impact on the trajectories of their lives.

Today's Employers

Not long ago, the CEO of a company known for its family-friendly policies was asked what he would advise a fellow chief executive who had not yet seen the light. He answered, without hesita-

tion, "If it was a competitor, I'd keep my mouth shut."

Demographic data—like those cited in previous sections of this report—continue to motivate employers' activity in the work-family arena. But increasingly their efforts are critical components of their companies' competitive strategies.

Companies have always had good reasons for responding to the needs of parents with young children.²⁶ Some research has shown that companies can lose money when parents lack reliable child care and essential supports. A number of current business trends strengthen the business case for family-responsive policies and practices. Today's employers have to meet some very tough challenges.

First, to stay competitive they have to create cultures that support customer retention and corporate profitability. In the last decade, many companies have intensified their focus on customer service and have embraced Total Quality Management. In the process, they have flipped organizational charts upside down, turning the spotlight on front-line employees—the critical link in providing quality customer service. More and more companies are recognizing that creating an environment where employees feel valued and supported, and where they can focus on meeting customers' needs, is a key to market leadership.²⁷

Second, they have to work harder to attract and retain the talent they need to succeed in a very competitive marketplace. Business leaders know that the key to customer satisfaction—and thus to corporate profitability—is a qualified, highly motivated workforce. They know that their organizations need to make sense business-wise and people-wise. As David R. Whitwam, Chairman and CEO of Whirlpool, has said, what keeps him up at night is "not whether or not the company has the right business strategies or financial wherewithal to become the largest appliance company in the world, but whether it has the right people to pull it off."²⁸

But leaders can no longer count on a ready supply of workers who can meet the requirements for all but the most specialized jobs. The labor market is increasingly a seller's market. As this report went to press, the Department of Labor announced that unemployment had dropped to its lowest point in 28 years. A wide range of skills are in high demand, especially in technology-intensive industries. The 1998 BWLS, conducted by the Families and Work Institute, found that two-thirds of employers with 100 or more employees find it difficult to fill vacancies for highly skilled jobs, and two-fifths have difficulty filling entry-level positions. These findings apply to companies in all industries and of all sizes.²⁹

Faced with falling unemployment rates and rising competitive pressures, employers are more concerned than ever about their ability to hire and retain qualified workers. They are also eager to hold wages down. Toward both of these ends, a wide range of employers are paying substantial bonuses to new hires—and not only to top executives: Insurance adjusters, teachers, fast-food restaurant managers, and civil servants are all being wooed with thousands of dollars in signing fees. A recent survey by the American Management Association found that the percentage of its membership paying signing bonuses had shot up from 30 percent to 44 percent in a single year. Low-wage workers, such as counter clerks in fast-food restaurants, are less likely than middle managers to receive signing bonuses, but many now qualify for retention bonuses if they stay for six months or a year.³⁰

Given these human resource challenges, it is not surprising that retention is employers' most important reason for instituting work-life programs, according to the 1998 BWLS. Concern about retention appears to be justified. After a decade of downsizing, delayering, and re-engineering and years of lean-and-mean personnel policies, many employees doubt their employers' long-term commitment to them. The 1997

NSCW found that the majority of the workforce is nevertheless committed to the success of their companies; most employees describe themselves as loyal to their employers.³¹ A closer look at the data suggest, however, that employers cannot afford to be complacent. Only 31 percent of employees overall describe themselves as "extremely loyal." Moreover, 37 percent of workers say that they are "somewhat likely" or "very likely" to make a genuine effort to find a new job with another employer within the next year.³²

In high-demand and high-level jobs, retention is even more problematic. According to John F. Johnson, chairman of the executive search firm Amrop International, in the corporate world's upper echelons, "Loyalty is a huge problem... More and more employees—even full-time workers on career tracks—have the mindset of contractors or freelancers... They are willing to move as fast as they can pack up their laptops. In this context, human-resource executives have to be concerned about attracting and holding onto talent."³³

As a result of these changes in the business environment, employers in several industries are taking steps to bolster their ability to attract and hold qualified employees. In the spring of 1998, both houses of the U.S. Congress were considering measures that would allow more highly skilled foreign workers to enter the United States. The computer industry was actively lobbying for the increase, citing a severe shortage of information-technology workers. Many firms are paying for loyalty—offering substantial financial incentives to highly skilled employees who stay for the duration of a critical project such as solving the "year 2000 glitch" that threatens many computer systems.³⁴

Third, many companies have morale problems—especially those that have gone through significant downsizing. Employers are asking employees to work harder and smarter and to adapt to the continual change; they are making these demands without guarantees of lifetime employment, steady career advancement, or high salaries. Data from the 1992 NSCW reveal that employees who work for companies that have

downsized in the past year are less satisfied with their jobs, less loyal to their employers, more likely to want to find a new job with another company, more stressed, and more burned out by their jobs. They report more negative spillover from work to home that diminishes the quality of family and personal life, as well as more spillover from home to work that diminishes productivity on the job.³⁵

Fourth, they have to function in a 24-hour global economy. Globalization has led to an American economy that is not only a round-the-world but also a round-the-clock operation. More and more businesses keep their doors and their phone lines open during early mornings, evenings, nights, and weekends. As a result, more and more jobs require nontraditional work schedules. This trend is intensified by a long-term trend toward a service-based economy: The percentage of shift workers is increasing most rapidly in the service sector.

Globalization also requires a mobile workforce. Mobile workers are hardly an invention of the nineties. There have long been traveling salesmen and migrant workers. In recent years, however, as cross-border business expanded and travel became faster and cheaper, more workers have taken to the road or the skies. The 1997 NSCW found that during the previous three months, employed parents with children under the age of six averaged 2.3 nights away from home on business.³⁶

And finally, publicly held companies have to address the concerns of investors, particularly the institutional investors who in recent years have played a more active role in influencing corporate policy. Some of these investors represent large employee groups and are paying close attention to employment policies. In 1996, the California Public Employees Retirement System (CalPERS) announced that it would maintain a good corporate citizen list of forward-thinking companies that deserve recognition for, over the long term, providing value to shareholders without sacrificing their work force.³⁷ As Dana Mead, CEO of Tenneco, Inc., has observed, "There's a lot of

wishful thinking in boardrooms that the issue of corporate responsibility will go away. But this is not a fad. It will not disappear."³⁸

Today's Jobs

The trends that drive today's business world are likely to intensify in the next century. Leadership in the marketplace will continue to hinge on a company's ability to attract and retain top talent, satisfy customers, and meet the challenges of globalization. As a result, America's leading companies are shifting their focus from just creating jobs to creating *high-quality* jobs.

High-quality jobs are designed not for factory workers, but for people who work in factories; not for the salesforce, but for individuals who work in sales. They provide a framework in which employees can bring all of their energy, competence, and creativity to bear on tasks at hand; work productively alone and in groups; and learn on a continuous basis. High-quality jobs are challenging but place realistic demands on the people who fill them. They allow substantial autonomy: Employees have responsibility for, and can make significant decisions about, how their work gets done.

Research shows that the quality of jobs and the work environment are significant predictors of employee well-being and effectiveness at work. Specifically, workers with better quality jobs (more autonomy, greater learning opportunities at work, and more job security) and with more supportive workplaces (access to flexibility, greater support from supervisors, more supportive workplace cultures, better coworker relations, freedom from discrimination, and basic respect) are more satisfied with their jobs, more committed to their employers, and less likely to have plans to find a new job with another employer. Workers with more supportive workplaces and reasonable job demands also experience less negative spillover from home, less job burnout, less stress, and more effective coping, which in turn promote better performance on the job.³⁹

ALLSTATE PARTNERSHIP PROMOTES FAMILY-FRIENDLY ENVIRONMENT

"At Allstate, our employees are our most sustainable competitive advantage," says Nancy Berry, Benefits Director for Allstate Insurance Company. This sentiment has led Allstate to create a more family-friendly culture and a supportive work environment for all employees.

Allstate, the nation's second largest insurer of cars and homes, created the Allstate Partnership, an agreement in writing that commits the company to helping employees balance work and family life. The Partnership provides a strong statement of what the company expects from employees and what employees can expect in return. It spells out the company's commitment to creating and sustaining a family-friendly culture.

"We know there's more to life than work," the Partnership says. "In today's world, juggling work and personal life can be more challenging than ever. We also know that to run a successful business, we have to be there when our customers or business objectives require us to be. Allstate is committed to helping you balance your work and personal commitments."

But simply issuing a document is not enough, says Berry. The challenge is to "make the words on the page live." It is one thing, she says, to put a policy on paper, and another to hold leadership accountable. The Allstate Partnership therefore includes strong accountability measures. All employees are surveyed twice a year (through an online system) about how the company is doing in upholding the Partnership. All leaders are held accountable through merit pay for the survey results. The company also uses business indicators and customer satisfaction as measures of the Partnership's effectiveness.

A family-friendly culture requires not only recognition of employee's multiple roles and responsibilities, but also a range of supportive policies and services. Allstate offers a wide range of services, including prenatal/postnatal health education, adoption support, child/elder care resource and referral, lactation support, and five days' leave per year to care for sick children. Employees can take advantage of flexible work arrangements—work at home, job sharing, flextime, compressed workweek, and part-time work—without sacrificing their full benefits.

Allstate has also invested in on- and near-site child care. Three near-site centers are located in Charlotte, North Carolina, Dallas, and Long Island. Allstate is one of the founding members and continues to be active in the American Business Collaboration for Quality Dependent Care.

Although the Allstate Partnership has been in place just over one year (it was established in November, 1996) the company believes that part of its recent success has been due to the impact of the Partnership.

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High-quality jobs have many traditional benefits, but those benefits are not add-ons. Rather, they are part of the organization's investment in its human capital. Companies that create high-quality jobs understand that benefits work best when everyone benefits—employers and employees. For example, flexibility works best when it is offered not as an accommodation to certain segments of the workforce, but as a way of working that expands options for individuals and organizations. Work-life initiatives are not merely helpful to employees or good for public relations; they are an integral part of optimizing organizational effectiveness.⁴⁰

A supportive supervisor is a key to job quality for new parents. A study at Johnson & Johnson found that employees with supervisors who are supportive when the employee has a work-life issue feel less stressed and more successful at meshing work and family life. In addition, they are more loyal, more satisfied with their jobs, and more likely to recommend their employer as a place to work.⁴¹

The quality of jobs has improved somewhat over the last 20 years. The 1997 NSCW reflects some movement in the direction of more family-responsive work environments. The majority (about two-thirds) of employed parents with children under six "strongly agree" that their supervisors accommodate them and are understanding when work-family issues arise. However, fewer (approximately two-fifths) "strongly agree" that they are comfortable raising work-family issues and believe that their supervisors really care about the effect that work demands have on their personal or family lives. And a significant proportion (between one-fourth and one-third) of workers with young children perceive their workplace cultures as not supportive of their personal and family concerns. Employees at smaller worksites are more likely to experience a supportive workplace culture.

- 42 percent of companies report that they have trained supervisors in responding to the work-family needs of employees. Smaller companies are less likely to have trained managers.
- 44 percent of companies report that how well supervisors manage employees' work-family issues is a consideration in job performance appraisals.
- When asked about the supportiveness of the workplace culture, employees' responses are generally favorable, but employers are even more so. At the same time, employers acknowledge that there is considerable room for improvement. Fewer than 20 percent agree that it is "very true" that their companies do an adequate job of informing employees about available work-family assistance.

Source: Families and Work Institute, 1998 BWLS survey of companies with 100 or more employees.

Today's Children

The stressful conditions experienced by many new and expectant parents affect many aspects of their lives—including their physical and mental health, the stability of their relationships, and their capacity to contribute to their communities. These conditions affect their productivity on the job. Even more important, they affect their young children.

The effects may be indirect. There is growing evidence that maternal stress and prolonged depression during pregnancy or following birth can impede or delay early childhood development. Many children experience directly the effects of stress, especially economic deprivation. Of children under the age of six, one in four lives at or below the federal poverty line. For children born to teenage mothers, the poverty rate is 47 percent. For African-American children under the age of six, the poverty rate is 44 percent.⁴²

Many researchers believe that there has been an overall decline in the well-being of young children. While some measures show improvement in recent decades, such as the infant mortality and child mortality rates, many other indicators cause concern. Millions of young children are spending their days in child care arrangements that have been rated poor to mediocre by professional observers—and those are only the programs that opened their doors to researchers.⁴³ Many children—by some estimates one in three—enter kindergarten without the skills they need to suc-

ceed in school.⁴⁴ This is particularly alarming in light of research showing that by age seven, children are set in achievement pathways that tend to last throughout their academic careers.⁴⁵

Finally, stress on parents is alarming in view of new research showing the crucial impact of the early years on childhood development, especially the importance of a strong attachment to a loving adult. The next section reviews this research and discusses its implications.

MAKING WAVES:

New Brain Research Raises The Stakes

In *Starting Points: Meeting the Needs of Our Youngest Children*, the Carnegie Corporation documents the quiet crisis that is facing America's young children and their families. This research shows that the conditions in which many children now grow up jeopardize their long-term health and development. The report cites the nation's high child poverty rate, the number of children who do not have the benefits of prenatal care or regular health care, the poor quality of most early care and education programs, and the number of children who enter school without solid readiness skills.

Yet even these facts do not fully convey how high the stakes have become. It has now been established, based on research conducted over the last two decades, that children's early experiences have a decisive and lasting effect on the physical architecture of their brains.

The Importance of Early Experience

Parents' capacity to provide warm, responsive care to their young children has an even greater impact on their children's development than we previously thought. In recent years, neuroscientists have established that early brain development hinges to a significant extent on the kinds of experiences children have in the first years of life and the kinds of attachments they form with their parents (or

other caregivers). Researchers have shown that early experience does not merely provide a context for a child's development; it directly affects the way the brain's circuitry is wired.

Parents have always known that their decisions and actions affect their children's lives, but today there is scientific evidence that the stakes are even higher than they may realize. More and more parents—and their employers—are aware of new research showing that the kind of care young children receive in their early years has a decisive and lasting impact on their development. Adults are now recognizing that giving young children warm and responsive care and arranging for them to have high-quality care while parents or other caregivers are at work are the best possible ways to give them a good start in life.

In recent years, the fields of neuroscience, cognitive science, and child development have flourished beyond any prior expectation. Thanks to unprecedented scientific and technological breakthroughs, scientists have learned more about human brain development over the last decade than was discovered over the previous several centuries.⁴⁶ Their findings are stunning—dramatic enough, in fact, to inspire cover stories in both *Time* and *Newsweek*, coverage by every major news outlet, and a historic conference at the White House that gathered neuroscientists, early childhood educators, and policy makers.

KAISER PERMANENTE

Kaiser Permanente, the nation's largest nonprofit health plan, is taking advantage of the unique opportunity to provide early childhood development programs not only to their 9.1 million members, but also to their 85,000+ employees throughout the country – all of whom are also Kaiser Permanent members. "Giving extra care and attention to young children and new parents is good health care and a sound investment in our country's future," says David M. Lawrence, M.D., Chairman and CEO of Kaiser Foundation Health Plan, Inc. Kaiser Permanente has instituted early childhood development services in many of its local medical centers for many years. However, based on the recent research demonstrating that the first three years of life are a critical time in a child's development, they are now increasing their commitment to supporting these programs, researching and disseminating the results of quality early childhood development programs and leading the managed health field into action to promote quality early childhood development programs and services. "Employers who are not health plans or providers can also provide support to their new parents by choosing a health plan that offers these valuable early childhood development services," says Lawrence.

Kaiser Permanente has a number of models that clearly demonstrate the results of investing in early childhood development. For example:

- Kaiser Permanente, in cooperation with Children Now and the I Am Your Child early childhood public engagement campaign, has brought together CEOs and senior leadership from more than 20 health plans, whose collective membership represents more than 35 million Americans, to build upon the early childhood brain-development research and develop the following goals and strategies for what health plans can do to encourage early childhood development. In the report *Right Time, Right Place: Managed Care and Early Childhood Development*, by Children Now, a national policy and advocacy organization, managed care plans can adopt a number of strategies to help families give their children a brighter future:

Goal 1: Create An Early Childhood Development Infrastructure

Strategies:

- Incorporate developmental specialists into pediatric primary care settings.
- Include family advocates in the well-child care team.
- Offer universal, voluntary home visiting for families with newborns.
- Offer group well-child visits
- Use questionnaires prior to a child's visit to identify parenting concerns.
- Provide temperament assessment and follow-up services.
- Provide access to child development support through a telephone system.

Goal 2: Provide a Seamless System of Early Childhood Development Services

- Begin parenting education in the prenatal period.
- Ensure scheduling of the first well-child visit prior to hospital discharge and follow-up as needed.
- Encourage all health care providers and administrative staff to promote key child development messages.

- Link community and social supports to pediatric primary care.
- Establish a system for referral follow-up
- Coordinate with state and community health services.

Implementation: *Establish An Early Childhood Development Monitoring System*

- The Home Care program in the Denver/Boulder area provides an advanced-practice nurse home visitor to pregnant and parenting families who have been referred by their clinician.
- Kaiser Permanente and The Preventive Ounce in northern California are working together to provide temperament counseling to families with four-month-olds who are invited to complete a questionnaire about their child. Families receive an evaluation of their child's temperament along with tailored guidance about what to expect as their child grows up.
- Kaiser Permanente's Pediatric Clinic in Washington, D.C. teamed up with ZERO TO THREE: National Center for Infants, Toddlers and Families to pilot a program during which a child development specialist was integrated into the clinical team. The developmental specialist participated in well-child examinations for infants and toddlers, offered follow-up appointments as needed, and accompanied some families to community-based referrals.

Next Steps:

1. Kaiser Permanente will encourage its divisions to implement the 13 strategies identified in the Children Now report as rapidly as possible over the next 12 to 18 months.
2. Kaiser Permanent will work with Children Now to increase the number of health plans involved in implementing the strategies identified in the report and to help those plans learn more about early childhood development.
3. Kaiser will also continue to push the definition of health to more fully incorporate early childhood brain development.

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The research is complex, its terminology and sheer volume at times daunting. But the message is clear: Early experience and early learning actually change the physical structure of the brain.

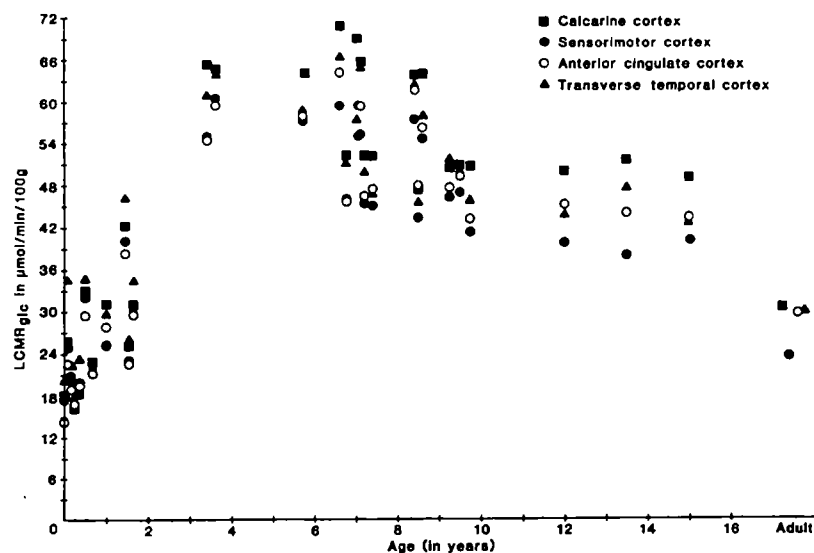
A newborn's brain has virtually all of the brain cells it will need for a lifetime. For the most part, however, those cells are not yet connected into the complex networks required for all of the functions that make us human, such as reasoning, communicating, cooperating, and modulating impulses and emotions. One scientist has compared the brain at birth to a telephone system covering the whole country, in which all the phones have been installed, but few of them are hooked up to one another.⁴⁷

Scientists have long known that brain cells make connections as children grow, but until

recent decades they assumed that most of these connections were genetically programmed. To use the telephone analogy, they assumed that a huge master plan controlled the wiring process. In fact, the trunk lines between cities and towns—the major pathways that connect the eyes or ears or limbs to the parts of the brain that control seeing or hearing or moving—are preset. But an adult brain requires about 500 trillion connections, and programming them would require more genetic coding and energy than nature could possibly dedicate to brain function alone. Moreover, a pre-programmed brain would limit humans' ability to adapt to our surroundings.

Nature's solution is ingenious: In the first years of life, the brain produces twice as many connections as it will eventually need. It responds to every

CHANGES IN BRAIN METABOLISM (GLUCOSE UTILIZATION) IN SELECTED CORTICAL REGIONS



This graph shows developmental changes of the brain's glucose demand in selected cortical regions. The more connections among brain cells, the higher the glucose demand. Note the rapid increase of the metabolic rate in the early years followed by the maintenance of these high levels for the remainder of childhood. With puberty, the levels slowly decline to reach adult levels.

Source: H.T. Chugani

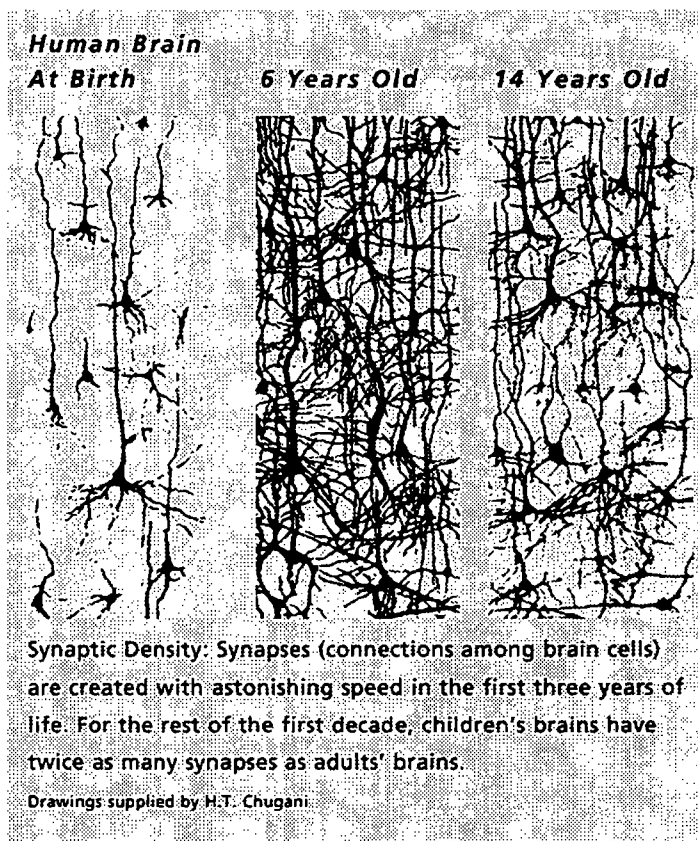
stimulus—sights, sounds, physical sensation, emotional experience—by forming new connections (or reinforcing existing ones) and linking them into pathways. By the time children are three, their brains have formed 1,000 trillion connections. This requires considerable energy, which is why young brains function at more than twice the metabolic rate of adult brains. They form neural networks that are remarkably dense. Fortunately, most of us do not peak at age three. Something has to happen to make brains work more effectively.

Like many organizations striving for efficiency and productivity, the brain downsizes, eliminating excess connections. This process begins in earnest in the second decade of life. Like many downsizing companies, though, the brain must have some basis for deciding which connections to shed and which to keep. This is where early experience comes into play. Those connections that have been reinforced by virtue of frequent stimulation tend to be kept; those that have not been used at all, or often enough, tend to be eliminated. In this way, early experiences can have a profound, lifelong impact not only on children's intellectual development, but also on their emotional well-being and social adjustment.

Nature and Nurture

The new brain research should resolve, once and for all, the nature vs. nurture debate: Both are crucial. In other words, both genetic coding and early experience—and the interplay between them—shape brain development.⁴⁸ Scientists are now illuminating the biological mechanisms that allow this interplay between nature and nurture.

One key finding is that the relative influence of heredity and environment on cognitive function is not steady, but changes over the human life cycle. A study published in 1993 by a group of scientists led by Matthew McGue of the University of Minnesota reports that the role of experience is especially powerful during infancy and gradually decreases over time. According to this study, the environmental factor in general cognitive ability is



about 80 percent in infancy, 60 percent in childhood, 50 percent in adolescence, and 40 percent in adulthood. These findings are consistent with the evidence produced by a more recent study on the role of genes in shaping intelligence sponsored by the National Institutes of Health and led by Dr. Gerald E. McClearn, director of the Center for Developmental and Health Genetics at Pennsylvania State University.⁴⁹ This research strengthens the evidence that experience plays a crucial role in early brain development—and never more dramatically than in infancy.

Because young brains are so active and so flexible, the early years are filled with opportunities to expand children's capacities and enrich their lives. Warm, responsive care is not merely pleasant and reassuring, but plays an especially vital role in the early years, fostering growth across the entire developmental spectrum (cognitive, emotional,

OHIO HELP ME GROW

Marketing expertise — no business can thrive without it. Turns out it is also a key to improving results for children.

In 1992, Governor George V. Voinovich established the Ohio Family and Children First Initiative to assure that all children enter school healthy and ready to learn. To further improve the health of children, the Help Me Grow program was created in 1995 to be the communication umbrella for the Ohio Family and Children First Initiative and to promote early and consistent prenatal care and healthy development in the first years of life.

Help Me Grow is one of the largest public/private partnerships of its kind. It has developed and distributed a 52-page wellness guide to preventative health and nutrition for expectant mothers and infants. The program operates a toll-free helpline (1-800-755-GROW), which responds to requests for information on health and social programs. Referral specialists provide personal assistance to callers. In 1997, approximately 58,000 calls were made to the helpline. In addition, the program printed and distributed 335,000 wellness guides.

Help Me Grow draws upon the resources of corporate sponsors, including Ronald McDonald House Charities of Central Ohio, The Kroger Co., McDonald's Corp., Pfizer, Inc., Dayton Hudson Corporation, Nationwide Insurance, and LensCrafters. These companies represent different industries and have different corporate profiles, but all count families with young children among their most important customers, and all are committed to supporting parents' efforts to raise healthy children.

History: The program was established in 1995.

Costs: \$650,000 per year, plus corporate donations and in-kind support.

Results: The Ohio Family and Children First Initiative, of which Help Me Grow is a part, has had a positive impact. Ohio has reduced its infant mortality rate from 9.4 per thousand births to 7.8 per thousand in 1996. In addition, the number of fully immunized two-year-olds is up from 50 percent in 1991 to 77 percent in 1998.

Advice: Key to the success of the program is active inter-agency collaboration, a strong public/private partnership, and on-going consumer feedback.

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PROMOTING HEALTHY FAMILIES NATIONWIDE

The Freddie Mac Foundation is committed to a comprehensive approach to supporting young families and children. Renette Oklewicz, Manager of Community Relations for the foundation, states "If we want children to reach their potential, we must support prevention programs that intervene early in a family's life. These interventions must be comprehensive and include early childhood education and programs that strengthen families. In addition, families must be able to raise their children in safe and caring communities" Freddie Mac does this by supporting a wide variety of programs that brighten the future for at-risk children which include early childhood education, family support services, responsible fatherhood, teen pregnancy prevention, and their signature program, Healthy Families America (HFA).

In over 300 communities in 40 states across the country, HFA helps first-time, high-risk parents get off to a good start with their babies by providing intensive home visiting and support services. Building on two decades of research, this effective approach has been spearheaded by the National Committee to Prevent Child Abuse (NCPCA) with major support from the Freddie Mac Foundation and the Ronald McDonald House Charities. HFA assesses the needs of families prenatally or immediately after the birth of the first baby and, on a voluntary basis, offers the services of a home visitor. Home visitors work with families for up to five years to identify the multiple needs of the family and to link them to health and social services while providing family support and parenting education. In addition to working with families in the home, home visitors help parents to access the resources in the community to better care for themselves and their children. The home visitor helps families with issues they may be confronting such as finding adequate housing or health care, securing treatment for substance abuse, continuing their education or finding a job, and dealing with violence within the home or community.

HFA has documented impressive outcomes for families enrolled in its programs, which include the prevention of child abuse and neglect, the promotion of optimal child development and improved family functioning. NCPCA manages a national research network which is tracking the results achieved by HFA programs.

The Freddie Mac Foundation has taken a leadership role at the national, state, and local levels on behalf of HFA. Since 1994, the Foundation has committed nearly \$7.5 million to support the national expansion of HFA and the development of eight sites in the metropolitan Washington, DC region. In addition, the Chairman and CEO of Freddie Mac, Leland C. Brendsel, is chairing the Campaign for Healthy Families which is raising \$15 million for NCPCA to assure the establishment of a permanent national and state level infrastructure for the HFA home visitation system.

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PAYING ATTENTION TO DADS AT MARRIOTT INTERNATIONAL

In 1996, Donna Klein, Vice President of Work-Life programs for Marriott International, approached James Levine, Director of the Fatherhood Project® at the Families and Work Institute (FWI), for assistance in offering programs that address the needs of fathers who were part of Marriott's hourly wage workforce. The Effective Fathering workshops were created in 1997 specifically to meet the needs of Marriott's hourly wage employees, who make up 85 percent of the workforce at Marriott. It was piloted at two locations in New York City and then modified for subsequent workshops in Philadelphia, Atlanta, and San Francisco. The approximately two-hour workshops include such modules as "You and Your Partner" and "You and Your Child" and generally involve 15 to 20 people in a highly interactive setting.

Marriott is experimenting with a number of ways to deliver the Effective Fathering workshops. They have contracted with community-based organizations who use this curriculum, and they are also investigating working with the American Hotel and Motel Association, who may offer the seminars as part of its Education Institute. Klein wants to extend the reach of the program as well and will invite non-Marriott employees in targeted communities to attend sessions. Over the next year, Marriott plans to expand the program company-wide.

Costs: Developing the curriculum costs \$70,000; Klein reports that additional costs, such as travel, are minimal.

Advice: "Of all the employee-education programs we have done, this one has received the highest positive response," says Klein. She believes that initiatives such as these are a good way to balance the scale of work-family programs, many of which, while not targeted specifically at women, are most utilized by them. She did note that many women attend the Effective Fathering course and take the information home to their partners.

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SNAP, CRACKLE, POP... & MOM

During the first quarter of 1998, more than 20 million boxes of Kellogg's® Rice Krispies® cereal featured information and suggestions for new and expectant parents, showing how everyday experiences can offer the best learning opportunities for young children. The messages were crafted in collaboration with ZERO TO THREE, a nonprofit organization dedicated to the healthy development of infants and toddlers. The boxes direct parents to the ZERO TO THREE website, where they can access more information.

The Kellogg Company is the world's leading producer of ready-to-eat cereal products. Because Kellogg's products reach 35 million households with children in America, this important information will reach a massive audience.

This informational program is part of Learning Now!—a communications initiative that informs parents and caretakers of the tremendous learning capacity of children's brains in the first three years of life. The initiative provides easy-to-use materials that help caregivers translate information on early child development and brain stimulation into activities and training at the primary care level.

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social, physical). Conversation with a child is always good, but its effects are especially positive and lasting when it takes place in the early years.⁵⁰

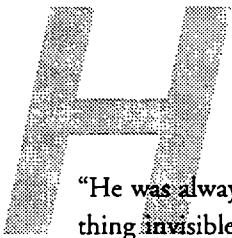
For the same reason, the early years are more fraught with risk than we ever knew. Negative experiences, or the absence of appropriate stimulation, can have an especially powerful impact on children's development. A wide range of factors—including poor maternal health, inadequate prenatal care, poor nutrition, lack of appropriate stimulation, abuse and neglect, parental substance abuse, substandard child care, and prolonged

maternal depression—can all undermine healthy growth and learning, including early brain development.⁵¹

Today, thanks in part to wide media coverage of new brain research, the once-wide gap between scientific knowledge and public understanding is beginning to shrink. As they shape policy, decision-makers in many fields, including business, are beginning to take into account the crucial importance of the first years of life and to reach out to mothers, fathers, and other caregivers.

LEARNING FORWARD

Leadership In The Work-Family Arena



"He was always learning forward, pushing something invisible ahead of him."⁵² This is how the writer James Thurber recalled the entrepreneurial energy of his editor, the legendary Harold Ross. His description captures the posture of leadership—the combination of vision, focus, and action that keeps people and organizations moving forward and keeps them ahead of the curve.

Strengthening Organizations

In an economy driven by fast-changing technologies and a knowledge explosion, the qualities most valued by employers are changing. Today's companies need self-directed workers who can pose and solve problems, work collaboratively, and respond rapidly to new information or conditions. Different organizations have different cultures and prize different characteristics, but as *Investors Business Daily* has observed, "Human resource managers agree on one point: They want to hire individuals who can hit the ground running."⁵³ In other words, businesses need workers who are fully engaged, free of distraction, and excited about what they are doing.

New and expectant parents should be among the most energetic, highly motivated members of the workforce. The vast majority are in their 20s or 30s, a time of life when energy and ambition tend to be plentiful. For those who have not previously buckled down to work, the responsibilities

of parenthood provide new incentives to focus and succeed. Parents with young children are therefore a crucial segment of the workforce—truly 25 million strong. Their responsibilities at home are significant, but most respond with determination and stamina if—and this is a big *if*—they have high-quality jobs and a supportive workplace.

Research shows that when they have access to key resources—including information and advice, health services, child care, and emergency back-up—employees with young children pull their weight. What's more, when companies support parents, employees reward them with loyalty. Workers with high-quality jobs tend to be willing to go that extra mile to help their organizations succeed.⁵⁴

Family-friendly employment policies are increasingly viewed as an aspect of good customer service—not as the exclusive province of bleeding hearts. The growth of the service sector and corporate attention to customer satisfaction have spurred more business leaders to place greater weight on issues of morale and to acknowledge the importance of empowering employees to work with full concentration and peace of mind. A recent article in the *Harvard Business Review* documents the payoff that this approach can bring. It recounts how, by focusing on employees, Sears was able to reverse a national trend of declining customer satisfaction. Through what it

calls an employee-customer-profit chain of value creation, Sears increased employee satisfaction and thereby raised customer satisfaction by 4 percent over a one-year period. This translated into \$200 million additional revenues and increased market capitalization of nearly one-quarter of a billion dollars.⁵⁵

Employers are recognizing, moreover, that as the demands of the workplace become more rigorous, their ability to hire and hold onto well-qualified workers is a matter of corporate survival. Workers who perceive that the organizational culture is supportive of their family and personal needs are less stressed, feel more successful in balancing work and family life, are more loyal to the company, are more committed to their employers, are more satisfied with their jobs, and are more likely to want to remain with their employers.⁵⁶

Most high-level executives now perceive a link between how well they treat their employees and how well their companies perform. In fact, in a survey conducted recently by management consultants Deloitte & Touche, 84 percent of respondents affirmed a link between worker treatment and profitability.⁵⁷

Other studies are quite specific about the impact of family-friendly programs such as flexible work schedules: Such measures have been consistently shown to boost not only morale, but also the bottom line. What's more, they have been shown to increase profits for large and small companies.⁵⁸ A study of three major corporations (Corning, Tandem Computers, and Xerox) funded by the Ford Foundation found that helping employees meet the dual pressures of work and family lives can also enhance efficiency and creativity.⁵⁹

But piecemeal programs and short-term solutions do not work. To bring about change, organizations must realize that work-family issues are reflected in corporate cultures and require systematic, corporation-wide solutions. And that requires leadership. It requires a willingness to rethink the way work gets done, toward creating a

more responsive work environment that takes employees' needs into account and yields a more significant bottom line.

Strengthening Communities

In little more than a decade, the range and prevalence of employer work-family initiatives have grown exponentially. In the eighties, when employers began responding in a systematic way to employees' personal and family needs, their lens was quite narrow. They tended to focus on female employees and their child care concerns. As more employers began providing child care assistance, the focus widened. Business leaders began to realize that family-friendly employment practices would help them attract and retain the best employees. They introduced more family-responsive policies and programs and began to train supervisors in how to manage work-family issues in the workplace. Based on research showing that work structure and work processes are crucial to employees' productivity and creativity, the lens has widened again more recently to include attention to these factors.⁶⁰

However, even companies with the most foresight have found it difficult for the company alone to meet the diverse needs of families, especially those with young children. Moreover, many have concluded that it makes little sense to duplicate the efforts of community-based organizations and agencies. There is greater recognition that family-responsive organizations must move beyond their front doors, forging stronger connections with their communities.

Today, more companies are expanding their notions of family friendliness to include community friendliness. Some are concluding that it is not enough to refer employees to care in the community, because there may not be enough care, or the quality of care may not be good enough. These companies have begun making investments in the long-term process of building the supply and increasing the quality of local services. In the realm of child care, for example, some companies are investing in their communities' capacity to provide parents with affordable, high-quality care.

ENSURING SUCCESS AT MERCK

Merck & Co., Inc., one of the nation's leading pharmaceutical products and services companies, wants to ensure that all its employees have a productive work environment. "By ensuring employee satisfaction we are ensuring business growth and development of our organization," says Mickey Peterson, Senior Director of WorkLife Flexibility at Merck.

Peterson agrees that it is not enough for an organization to have programs and policies about work-family issues in place. While Merck does have a wide array of work-family programs such as resource and referral and support for new and expectant parents, they are also focussing on the work environment and management leadership.

Starting in 1997, Merck began to rate managers on their leadership capabilities – and part of the evaluation process includes how managers enhance and encourage productive work environments. Managers must challenge employees so they achieve the objectives that Merck has created; at the same time, they must ensure that employees have work/life balance. Merck evaluates managers on how well they treat employees with respect and sensitivity when personal issues arise.

This year, Merck is piloting a "workgroup action planning process." The objective is to enhance the work environment at the workgroup level. Based on Merck's Leadership Principles, a questionnaire is completed by employees and the results provided to workgroups who develop plans to address issues. Merck intends to utilize this process in divisions where it is requested and anticipates positive outcomes in employee satisfaction and business performance.

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Our survey of employers shows that:

- 9 percent of companies provide financial support of local child care through funds or corporate contributions beyond the United Way.
- Overall, 11 percent of companies report having developed partnerships with their local or state governments to assist employees in meeting their family and personal responsibilities. Of those partnerships, half are in the area of child care.

Source: Families and Work Institute, 1998 BWLS survey of companies with 100 or more employees.

Strengthening the Nation

Studies show that a wide range of employment policies and practices can strengthen organizations, boosting productivity and protecting the bottom line. Research also shows that family-responsive employers play a role in strengthening families and communities. These are important contributions, but corporate innovators can go even further, strengthening the nation and its key institutions. This will not happen, however, without a comprehensive approach to today's human-resource challenges. And it will not happen without forceful leadership.

INDIANA CHILD CARE FUND

The demand for child care has surged in recent years, but the resources to fund it remain limited. New funding strategies are needed. The state of Indiana has developed a promising model. The Indiana Symposium on Child Care Financing was designed and developed in 1994 by a public-private partnership between the Indiana Family and Social Services Administration and the Child Care Action Campaign. The Symposium's guiding goals are to both increase the role of private sector employers as leaders on child care issues and to build the capacity and improve the quality of child care for working families.

The Symposium has distributed among its counties \$3 million of the state's reserve of Quality Funds from the federal Child Care Development Fund. Each community project was awarded a minimum of \$25,000. The Indiana Family Social Services Administration developed criteria for grant awards based on five key goals: 1) promoting public awareness of child care needs; 2) building public-private partnerships to meet child care needs; 3) expanding the number of slots in high quality licensed child care facilities; 4) increasing the number of credentialed child care providers; and 5) reducing the turnover of child care providers through enhanced compensation. Priority for funding of projects is based on each community's child care needs and their ability to build partnerships with the private sector.

The corporate members of the Symposium Planning Committee, in cooperation with the Indiana Family and Social Services Administration, formalized their involvement by creating the Indiana Child Care Fund, which was launched in 1997. The purpose of the Fund is to raise corporate, foundation and other private contributions to strengthen the states' child care infrastructure. Funding priorities are determined by statewide needs identified by the county symposium process. Eli Lilly and Company is serving as the co-chair of the fund along with the Indiana Family and Social Services Administration. There are currently fifteen corporate champions contributing to the Fund.

Funding is not enough, however. Many communities do not know how to initiate public-private partnerships. To address this problem, the Indiana Child Care Fund, in collaboration with Purdue University, has developed the Indiana Tool Kit, called "Child Care: It's Good Business". This kit gives local planners and human resource managers the information they need to engage businesses in community child care projects.

Results: Indiana has exceeded its goal of providing scholarships to 1,000 child care providers to help them achieve the CDA credential. Additionally, of Indiana's 92 counties, 75 are participating in projects that are building ongoing public-private partnerships. There has also been a substantial increase in both the number of child care spaces for infants and toddlers, children with special needs, and shift care as well as greater public awareness about child care and the needs of working families.

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Business leaders have always had a powerful impact on American society in general and, in particular, on the ways we think about social relations. In the early years of this century, Taylorism and the factory model, which took a modular approach to work and social organization, affected institutions and ideas well beyond corporate walls. In recent decades, the corporate world's emphasis on quality and service, reflected in quality circles and Total Quality Management, has influenced many aspects of our culture, including efforts to reform government, education, and the human services.

Many observers believe that in coming decades, business thinkers will most forcefully influence American life in the area of human resources. These observers point out that at the heart of modern companies lie covenants between employers and employees.⁶¹ On a day-to-day basis, these covenants create the shared assumptions and expectations that allow organizations to operate effectively; they create the routines and regularities that allow workers and their families to function. They also constitute a social contract that is confined neither to the workplace nor the workday. Work has always been a crucial institution in American society. Today, work continues to be woven tightly into the woof and warp of our nation's life, but the strands crisscross in new ways.

To understand the importance of work in contemporary American life, consider these downward curves. Since 1965, the time Americans spend socializing and visiting has declined by as much as one-quarter. Time devoted to clubs and organizations is down even more sharply, by roughly half. Surveys show declines in many measures of collective political participation, such as attending a rally or speech or taking active part in a political party. Attendance at worship services is down. Participation in social and civic activities has dropped most precipitously among women.⁶²

Some observers see a decline in the nation's social capital—the social connections, trust, and sense of shared destiny that spur people to cooperate for their mutual benefit. Different scholars have reached different conclusions about the cause of this decline. Some say that television and other electronic pastimes are keeping Americans at home, engaging them in fictional or virtual communities rather than local civic affairs.⁶³

Whatever the cause, one effect is clear: The world of work is assuming a more important place in the lives of many Americans. For many employees, the workplace *is* their community. As a place, a social context, and a culture, the workplace affects employees' moods, energies, and values, the way they raise and socialize children, the values they form and pass on. As a ritual of American life, the company picnic now rivals the church picnic. Volunteerism, always a strong suit of Americans, now tends to be organized through the workplace. To a greater extent than ever before, Americans give at the office: contributing time and money to fundraising efforts, partnering with community-based organizations, adopting local schools and mentoring students, or providing support to local hospitals or nursing homes. According to the 1998 BWLS, 73 percent of companies allow employees to volunteer for community programs during work hours.⁶⁴ For example, The Calvert Group, a small financial company, has a community-leave program that gives employees 12 paid days a year for volunteer work in their communities.

Today, the workplace is one of the key settings in American society where building social capital is an explicit, daily concern. Social capital is, after all, a boon to productivity.⁶⁵ Corporate leaders are recognizing that today's most creative, energetic enterprises emerge not from talented individuals working solo, but from great groups. As Walter Bennis has stressed in writing about creative collaboration, "none of us is as smart as all of us." Most problems facing today's organizations are so complex that solving them requires a range of

GIVING BACK AT HANNA ANDERSON

Children's clothing retailer Hanna Anderson has contributed to the world of business a program that may never be outgrown. The program is called Hannadowns and has been in operation since 1984. The company has invited customers to send back outgrown Hanna garments that are in good condition in exchange for a 20 percent credit on future purchases. The donated clothing is sent to children's charities all over the world. This 250-employee company headquartered in Portland, Oregon has responded to children in need both near (contributing to natural disaster relief in the U.S.) and far (responding to a request from an orphanage on the South Sea Island of Bali). Hannadowns is only part of the company's charitable activities. Hanna Anderson donates 5 percent of profits each year (\$43 million gross in 1996) to charity.

The company's commitment to children is reflected in its employment practices. Hanna Anderson pays 40 percent of employees' child care costs. Hanna Anderson cofounder Gun Denhart believes that "you need to do the right thing for the customer, but also for your employees and the community."

Portland's YWCA Transition School is another local program that receives Hannadowns support. Hanna Anderson keeps the "Clothing Closet" well-stocked at the Transition School, a school for children from homeless families. Children have arrived at the school in the middle of the night in their pajamas and slippers and were given clean clothes appropriate for the school's classroom.

History: Hannadowns was started in 1984.

Results: The company estimates that since 1992, close to 1 million "hannas" have been sent to families with young children.

Next Steps: Hanna Anderson will continue encouraging customers to send in their outgrown clothing, even though the 20 percent credit will be discontinued as of December, 1998.

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WALKING THE TALK AT THE CALVERT GROUP

The initial challenge was getting "buy-in" from the top, says Judy Shober, Work/Family Manager at The Calvert Group, a small financial company that manages a family of mutual funds.

The Calvert Group is committed to socially responsible investment decisions, Shober explains. Before investing in a company, they examine not only its potential projects and finances, but also its employee practices. While reassessing their own business goals in the 1980s, the Group looked inside and decided that they needed to "walk the talk"—that is, ensure that its own employee policies and practices were responsible.

Says Shober, "In the early nineties, we reconstructed our benefits and human resources programs around the four basic human needs (a holistic approach): survival, social, psychological, and spiritual. We called for a flexible benefits program, Personal Choices. We felt that the message to our employees was that we want to make sure that we, as a company, meet our employees' needs and help to balance these needs in their daily lives. It is the ripple-down effect: If we treat the employees well, they will treat our customers the same way."

For new and expectant parents, this means not only a comprehensive medical plan to deal with all the costs of having a baby, but also, six to eight weeks off for the mother upon the birth of the baby, parental leave for either the mother or father (10 paid days) after the birth, a subsidy for a breastpump, a lactation room at Calvert, a part-time work schedule, and flextime. They also provide a flexible spending account for the parent to deduct up to \$5,000 a year for dependent day-care expenses, which the company subsidizes on a sliding scale from 5 to 20 percent. Each year they have their employees' children in for the day to see where Mom and/or Dad work, participate in community involvement or educational programs, and have lunch with Mom or Dad and a fun time with a clown. Over the years the activities have included the following: a visit by Officer Safety and a visit to the local police station, lunch and singing of holiday songs with senior citizens, fruit and vegetable picking to benefit a soup kitchen, visits to the National Zoo to learn about ecology, and, this year, a visit to a local recycling plant to learn about and see recycling in action.

Results: With a program as comprehensive as Personal Choices and a holistic approach to their employees' needs, it is hard to establish cause and effect. But Calvert's leaders are aware that their turnover rates for the period from 1987 to 1991 averaged 25 percent; for the period from 1991 to 1996, the rate dropped to 13 percent.

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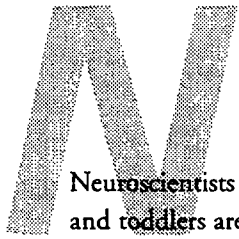
knowledge and skills. Companies whose cultures value and motivate teamwork have an entrepreneurial edge.⁶⁶

Social capital is a vital commodity at every level of the organization, not only in top jobs. A rapidly expanding service sector means that more and more jobs are relationship-based and involve customer contact. Moreover, in the information age, knowledge has become companies' most vital asset, and that knowledge is embedded in social networks. Using e-mail, even far-flung coworkers can keep in much closer touch, sometimes communicating several times a day. And the Internet has immutably changed corporate culture. As Andy Grove, CEO of Intel, has observed, "the PC is the canvas" on which tomorrow's most creative work will be done.⁶⁷

Because work threads so many strands through the fabric of American life, the nation's well-being may be measured not only by the number of jobs our economy creates, but also by the quality of those jobs. Leaders in the work-family arena have long held that corporate policymakers have to take family life more fully into account. Today, it is not only employers who need to take a broader, more realistic view of peoples lives. Decision-makers in many fields—including education, health care, and a wide spectrum of other human services—must factor into their thinking the importance of the workplace. As they rethink policy and practice, they must take into consideration the changing role of work in American life.

SOLUTIONS:

Meeting The Needs Of Working Parents And Their Young Children



Neuroscientists tell us that the brains of infants and toddlers are more active and more vulnerable to experience and the environment than they will be at any other time of life. They confirm that neural development begins in the early weeks of pregnancy and that a mother's health and circumstances—her health and nutrition, her work, her living conditions, her personal habits—have a bearing on her baby's well-being and healthy development.

Helping Employees Prepare For Parenthood

Strategies for supporting and empowering new and expectant parents cannot wait until children arrive. They must begin much sooner, as prospective mothers and fathers contemplate parenthood.

Planning for parenthood. Deciding whether and when to have children is a private matter rooted in personal history, cultural conviction, and religious belief. For many Americans, questions of vocation and economics also play a role. Many Americans want to plan childbearing so that when children arrive, as parents they will have the time and resources to care for them.

As is so often the case, private decisions have public consequences. Research shows that children thrive when they are wanted. They flourish when they have attentive parents who have eager-

ly awaited their birth and do everything possible to give them the best possible start in life. They are much less likely to thrive when they have parents who are ambivalent or distressed about the pregnancy and lack the wherewithal to support and comfort a newborn. Children of unplanned and unwanted pregnancies are at higher risk for abuse, neglect, and such poor birth outcomes as low birthweight and infant mortality.⁶⁸ In this light, it is alarming that between one-third and one-half of all pregnancies in this country are unplanned or untimely, one of the highest rates of unintended pregnancy in the industrialized world.⁶⁹ Many Americans assume that this is primarily true among teenagers when, in fact, the problem is most prevalent among adults. According to one expert, adolescents represent only 15 percent of this risk group.⁷⁰

Voluntary family planning helps families space and time births so that they can meet the needs of each child and ensure that mothers are in good health for the next pregnancy. When accompanied by quality health care, planned childbearing has been shown to reduce the likelihood of infant mortality and low birthweight, increase the likelihood of breastfeeding, and reduce delinquency and drug abuse later in the child's life. These results, in turn, save money for taxpayers.

Planning for adoptive or foster parenthood.

For parents seeking to adopt children or to become foster parents, the planning process can be just as important. Like all parents, they need to prepare themselves, their families, and their homes for the arrival of new children; they need to think ahead about their schedules, sources of support, child care options, health care providers, and other practical matters. In addition, they may want help addressing issues specific to adoptive or foster parenthood: the range of options open to them, the legal and emotional challenges of non-biological parenthood, and the financial and other resources required for their new roles. Many companies now extend to adoptive and foster parents most or all of the benefits they provide to other parents. At the same time, some employers also provide them with information, counseling, and referral services; some help to defray the considerable costs of adoption.

Preconception health care and counseling. It has long been known that good health and medical care for women before pregnancy have an impact on their infants' health.⁷¹ Recent studies suggest that prenatal care and nutrition are even stronger predictors of healthy development than researchers had previously documented.⁷²

There is proven value in a medical visit and evaluation specifically timed with parents' decision to consider having a child. This provides the opportunity for a complete family and personal history and physical examination. In the process, it may be possible to identify conditions that require treatment, special consideration, or counseling, such as high blood pressure or diabetes. Preconception care provides an opportunity for prospective parents to learn about the impact on their future family of such personal habits as smoking, drinking, or drug abuse. The process may also shed light on such risk factors as genetic conditions, workplace hazards, nutritional problems, or medications. Preconception care can also help prevent specific birth defects. If all women

took folic acid before they became pregnant, for example, half of the neural tube defects that afflict babies each year might be avoided. The March of Dimes "Think Ahead" campaign urges women to eat a balanced diet, take multivitamins, and adopt a healthy lifestyle before pregnancy.

Preconception care is still a relatively new concept and is not routinely made available to many employees. However, as more companies perceive the benefits of this service, it may become more prevalent. Concern about health care costs are spurring companies to invest in wellness and prenatal seminars for expectant mothers and fathers. A few large companies now offer more comprehensive on-site preconception care and have successfully reduced health care costs. Case in point: First Chicago NBD's on-site preconception health risk assessment and prenatal education has enabled the company to reduce C-section rates (from 28 to 19 percent) and low-birthweight rates (from 4 to 3 percent) among employees, resulting in shorter disability absences and lower health care costs per delivery (from an average of \$9,986 to \$7,593).⁷³

Treatment for substance abuse. Health care and other human-service providers may be able to help expectant and new parents break habits that threaten their babies' healthy development. Recent research sheds light on how exposure to alcohol, nicotine, and narcotics affects babies before and after birth. It shows that the risks to young children may be even higher than many parents realize.

There is a growing body of research on the relationship between tobacco exposure and early development indicating, among other findings, that maternal smoking has clear and consistent effects on a newborn's neurobehavioral functioning. To what extent do these effects determine later cognitive functioning and school success? The results are not yet conclusive. However, there is strong evidence linking smoking during pregnancy with later conduct disorders and attention

REACH OUT AND PARENT SOMEONE

Adoptive parents, or employees who are considering or planning adoption, can find substantial support at AT&T, the world's premier voice and data communications company.

Among the broad spectrum of services AT&T provides through its Work & Family program is an adoption resource and referral service. By calling an 800 number, employees can access personalized, private consultation to help them decide whether adoption is right for them and their family, information about adoption, time frames, costs, and risks, and referrals to licensed adoption agencies, support groups, and other adoption-related resources. They can also get assistance with special situations, such as single-parent adoptions or international adoptions. Finally, adoptive parents can get advice on how to explain adoption to children and on the benefits and risks of searching for birth relatives.

The company's commitment to adoptive parents does not end with advice. Through the adoption reimbursement program, employees can be reimbursed up to \$3,000 per child to cover eligible expenses associated with the legal adoption of a child under the age of 18. AT&T has established a set of procedures for obtaining the reimbursement.

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deficit hyperactivity disorder (ADHD), and these problems, in turn, hinder school success.⁷⁴ One study of young boys, for example, shows that maternal smoking during pregnancy (half a pack or more a day) increases the risk of later conduct disorders. Nicotine exposure appears to affect children's development by interfering with the reabsorption of neurotransmitters in the brain.⁷⁵

Fetal alcohol syndrome, caused by moderate to heavy drinking during pregnancy, has been shown to be one of the most common identifiable causes of mental retardation. More than 80 percent of children with fetal alcohol syndrome are delayed in growth (both before and after birth). They are at increased risk for ADHD, motor impairments, and speech disorders.⁷⁶

Research has also led to discoveries about how exposure to drugs such as cocaine affects children, though it is sometimes difficult to gauge the effects of cocaine, as these infants are more often in families in which mothers have more limited education and are more likely to use alcohol, marijuana, and tobacco. There is clear evidence, however, that cocaine-exposed infants are at increased risk for poor health outcomes. Recent studies suggest, moreover, that prenatal cocaine exposure impairs the brain's ability to regulate arousal and attention. Cocaine use by mothers may indirectly affect babies as well. Chronic cocaine use is known to

PROMOTING PRENATAL CARE AT MONFORT, INC.

It was a puzzle: Employees appeared to be no sicker, but medical costs were rising sharply. Monfort's leaders took a closer look and discovered that annual medical costs for premature and low birth-weight babies had reached \$5 million. Further investigation showed that many employees, especially those from Central America, were uncomfortable or unfamiliar with the U.S. health care system and did not seek prenatal care. Simply providing prenatal care would not solve the problem. To cut costs and promote healthy child development, the company had to find a way to break through this cultural barrier. The solution was a private-public initiative aimed at improving prenatal care.

Monfort, a meatpacking subsidiary of ConAgra, has a workforce of 17,000. Its headquarters are in Colorado, where corporate leaders formed a partnership with the Weld County Health Department. The health department was a logical partner because it already had a prenatal clinic, provided other preventive health services geared to women, and was staffed with bilingual employees. The health department provides Monfort families with preconception and family planning services, prenatal checkups, screening tests, and well-baby care. Motivation is high because employees pay nothing. There are no copayments and no deductibles.

Clinic staff play a pivotal role in encouraging expectant employees to enroll in Monfort's prenatal program Healthy Moms, Babies and Families (HMBF). This program is available to all female family members covered by Monfort's health plan, not just female employees. Created by the March of Dimes, the program promotes maternal and child health starting before conception. Women who enroll in the program are contacted on a quarterly basis. Once a woman becomes pregnant, HMBF-trained clinical staff call them at least once a month and follow them throughout their pregnancies. In addition, parenting supports and resources are available to new parents after birth.

As an added incentive to enroll and stay involved in the program, HMBF awards women \$100 if they attend at least six prenatal visits starting in the first 16 weeks of pregnancy, practice good prenatal care, and follow clear health promotion guidelines provided by HMBF.

impair adults' ability to attend to others; by failing to respond sensitively to their infants, cocaine-using parents may impede their children's ability to process information and regulate their reactions to arousal in later childhood.⁷⁷

Prenatal care. Too many women in this country do not get adequate prenatal care because they lack insurance, resources, motivation, or knowledge. About one in five pregnant women receives no care during the crucial first trimester; for African American, Latina, and American Indian women, the figure is one in three.⁷⁸

Prenatal care can help expectant mothers and fathers begin to think about their baby's needs and development. In addition to monitoring the

progress of the pregnancy, health providers can offer help with nutrition, smoking cessation, and other critical health issues. Mothers who receive adequate health care and advice during pregnancy are less likely to have low-birthweight children. This is extremely important, since there has been an increase in the number of low-birthweight babies in recent years.⁷⁹ These babies are at greater risk for developmental delays and impairments.⁸⁰ A recent study that followed very low-birthweight babies until age six showed that the majority had delayed cognitive development.⁸¹

Providers of prenatal care can help expectant mothers manage stress or seek treatment for

HMBF also provides voluntary home visitation for any expectant mother whose pregnancy has been identified as high risk. Nurses and social workers see them in their homes to ensure that they continue with their prenatal care. Additionally, all families are offered two home visits within two weeks after delivery. This gives them the opportunity to ask questions ranging from "Which diapers should I use?" to "Why does my baby cry so much?" Visiting families in their homes provides an additional opportunity for staff to assess the children's health and the families' well-being.

Results: Since HMBF was instituted in 1994, medical costs for low-birthweight or at-risk babies have declined dramatically, from \$5.5 million in 1994 to \$2.3 million in 1996. Between 1994 and 1996, Monfort saved \$2,427,495 on costs related to pregnancy and childbirth and \$748,048 on costs related to neonatal care. The average hospital stay for premature babies dropped from 17 days in 1993 to 11 days in 1996. These data suggest that fewer babies are born with major medical complications.

Next Steps: Monfort/ConAgra is looking into replicating this program at their other sites. In addition, they are considering other innovative ways to help parents balance their multiple roles.

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depression. Some research is beginning to suggest that prenatal stress can have an impact on emotional development, lasting into adulthood. In part, this has to do with the hypothalamo-pituitary-adrenal (HPA) axis, which is altered by early environmental experiences. Some of the evidence comes from animal research. Studies reported in *Pediatrics* show that rats whose mothers have been subjected to stress during pregnancy are more likely to grow into anxious adults.⁸² Research with human subjects shows that babies whose mothers suffer from depression beyond the first six months after giving birth are more likely to have developmental delays.⁸³

Family Health Insurance Coverage

Family health insurance coverage is one of the most important work-family benefits offered by employers. According to a study by the Women's Bureau of the Department of Labor, family health-insurance coverage is working women's top priority—higher even than an improved pay scale.⁸⁴ The 1997 NSCW found that the vast majority (84 percent) of working parents with children under the age of six have access to family health-insurance coverage from their employers. However, 5 percent of employees have no health insurance from any source; this figure rises to 11

REDUCING CASUALTIES AT AETNA

She knows the ropes. More important, she knows the customers. The relationships she has built, both inside and outside the company, are an asset that is hard to measure.

And she's out the door. The shower is over, the baby has arrived, and the employee is lost. That was happening too often at Aetna, one of the country's largest insurance and financial services organizations. A survey of the Aetna workforce conducted in 1987 found that 27 percent of female employees never returned to work after giving birth.

That figure may not sound high until you consider that three-quarters of Aetna's workforce is female and that, on average, between 1,200 and 1,500 employees will add a new child to their families each year.

Aetna's leaders responded with a program aimed at boosting the company's holding power. They reasoned that if expectant mothers have adequate resources, care, and knowledge, they will have a better chance at a normal delivery, an easier adjustment to motherhood, and a well-planned, smooth transition back to work. The company's first step was to launch a prenatal education and risk management program, for counseling and support for expectant employees.

By 1994, Aetna had put in place several programs designed to address prenatal education and child care issues, but they were not integrated. Because the programs were designed and offered by separate departments, finding out about available services was often a hit-or-miss process; moreover, there was considerable overlap. To remedy the situation, Aetna launched The New Child program.

The New Child program coordinates all of the company's various benefits and services that are available throughout maternity. When an employee is considering, expecting, or planning to adopt a baby, they can call a toll-free number or visit Aetna's internal website to register for The New Child Program.

The New Child Program groups its services into four areas: preconception and planning, pregnancy arrival and parenting, and return-to-work. A New Child Kit provides a single access point to other services such as risk assessment, preventive health programs, and child care resource and referral programs.

Results: The great majority of expectant employees—91 percent—now return to work.

Advice: "Integrate and coordinate," says Barbara Pelletier, Manager, Corporate Wellness.

Next Steps: Aetna plans to expand the program to all field locations and to introduce some new services. The Employee Assistance program is in the process of developing an Internet program that will allow employees to join online discussions of issues related to the challenges of balancing work and family life.

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percent for single parents and 12 percent for workers in low-income households. Sixteen percent have coverage fully paid for by their employers; working mothers are less likely than fathers to have family health coverage that is fully or partially paid for by their employers.⁸⁵

Of employers surveyed in the 1998 BWLS:

- 95 percent of companies provide family health insurance coverage.
- Only 19 percent of companies provide part-time workers with the same health care benefits that full-time workers receive, while 14 percent provide pro-rated benefits, and 67 percent provide no benefits at all.

Source: Families and Work Institute, 1998 BWLS survey of companies with 100 or more employees.

Helping New Parents Survive and Thrive

Health care. Prenatal care helps to ensure babies' healthy development, but it alone is not sufficient. Infants and toddlers need well-baby care on a regular basis. They need regular checkups and a full complement of immunizations. In addition, their growth and development need to be monitored at regular intervals. Research shows that young children who visit the doctor on a regular basis get sick less often than children who do not.⁸⁶

Well-baby visits serve another purpose as well: They provide teachable moments—especially for first-time parents. Doctors, physician's assistants, and nurses can offer invaluable information and advice, health and safety suggestions, and referrals to community services. In the process, they can help parents become more confident, competent mothers and fathers. Health professionals can also pick up cues that parents or children are having serious problems, often addressing minor issues before they become major. Recognizing that all families need consistent access to medical care, pre-

ventive services, and parenting advice, many pediatric and family practices are including professionals trained in child development on their staffs.

Parent education. No company would consider thrusting an inexperienced worker into a complex, responsible job—particularly a job that included life-and-death decision-making—without intensive training. Yet that is exactly what happens when most Americans take on the responsibilities of parenthood. As a report on parent education has pointed out, many Americans have far more resources at their disposal for operating a new appliance—such as user manuals, on-screen instructions, or toll-free customer-support lines—than for coping with a new baby.⁸⁷

The kind of knowledge that can help parents give their children a good start in life—knowledge about child development and child health, for example—does not come naturally. Nor is it always available from relatives or neighbors. For this reason, virtually all parents can benefit from the kinds of information and guidance that help them understand and respond to their children's physical, intellectual, and emotional growth, particularly in the early years when development proceeds at such a dizzying pace.

Parents want and need help, and most believe that it should start early: Three out of four believe that schools should play a role in family life education.⁸⁸ More than half of today's parents believe they are not doing as good a job at childrearing as their own parents did.⁸⁹ A recent survey conducted by Zero to Three confirms that few first-time parents feel fully prepared for their new role. The youngest and least financially secure feel particularly unprepared.⁹⁰

Parent education is a powerful preventive strategy that can strengthen all families and promote the healthy development of young children. A task force convened by the Carnegie Corporation of New York recommended that parent education and support be available on a voluntary basis to all parents with children under the age of three. It called for parent-education programs that

INFANT AND TODDLER BRIEFINGS AT MIT

It's not rocket science. It's even more important to the nation's future. That's why the Family Resource Center at the Massachusetts Institute of Technology focuses on healthy child development and strong parenting skills.

Think of MIT and you're likely to picture blackboards covered with equations and computer labs filled with tomorrow's most innovative engineers. But in recent years, MIT has become known for pioneering programs in another field as well: family support and parent education.

One program that has worked especially well in this setting is the Infant and Toddler Briefing. Offered twice each month, these hour-and-a-half seminars introduce new parents (including MIT faculty, staff, and students) to the wide range of resources available to them on and off campus. Staff of the Family Resource Center help parents understand parental leave benefits and evaluate child care options.

Expectant parents receive a great deal of information and tools for exploring other resources. In particular, they are made aware of information available within the Family Resource Center and on its web page. The briefings also introduce them to others on campus who are dealing with similar issues. MIT has unique resources for providing support to new and expectant parents. Faculty members and others with expertise in child development and learning are tapped to conduct seminars and provide insight into cutting-edge research.

According to Kathy Simons, Administrator of the Family Resource Center, participants are often overwhelmed at first by the amount of the material in the briefing booklet, but by the end of the session they are able to identify the next step they need to take to address their own individual concerns.

Results: The program has not been formally evaluated, but feedback from participants reflect delight and satisfaction that an academic powerhouse like MIT would be concerned with this aspect of their lives.

Advice: Kathy Simons advises that this type of informational program is best run by people who are fully familiar with the institutional culture so that they can understand the nuances of participants' needs.

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GETTING THE BALL ROLLING AT STARBUCKS

How about a company soccer team? That was the question that got the ball rolling at Starbucks Work/Life Department. The department considered this request and decided that the best approach was to connect employees (Starbucks calls them partners) with similar interests and let them run with the idea.

The concept caught on and the Partner Connection program was born. This is a very different and empowering approach to a work-life benefit. Partners appreciate the message that they have the power to design programs that meet their individual needs.

At the outset, the idea of the Partner Connection seemed overwhelming. The company's employees number 26,000...and counting. How could one department run so many programs? But because partners take responsibility for launching and administering these groups, the Work/Life Department simply helps people with similar interests connect and then provides consultation when needed. Dozens of groups are now underway, with interests ranging from sports to organic gardening to...parenting.

The New Parent Network grew out of hallway discussions. New and expectant parents would catch each other in the hallway and talk over common concerns. One of these parents approached the Work/Life Department and asked how to begin a network. The Work/Life staff identified a potential target population. An e-mail message announcing the network was sent out to all partners, telling them whom to contact for information. From that point on, the partners themselves developed and implemented the Network.

The New Parent Network consists of 50 partners, mothers and fathers, who meet monthly. They set their own parameters for the group, use their own resources, and ask for funding as needed. The network has undertaken some interesting projects, such as weekly parenting classes, an infant CPR course, Emergency Notebook with Children's Hospital, and just general ongoing parent support groups.

Costs: Nothing...or very close to it. Participating partners pay a fee for the parenting classes or the infant CPR class. The New Parenting Network has occasionally approached the Work/Life Department for funding for specific programs.

Results: Joan Moffat, Partners Relation Manager, believes that the program has directly affected partner loyalty. This belief is based on feedback from employees (who are encouraged to fill out Mission Review cards on a regular basis).

Advice: "Just go for it," says Moffat. The key is to listen to employees and design programs that meet their current needs and interests.

Next Steps: The Work/Life program is developing a five-year plan to deal with partners' life stages.

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EDDIE BAUER AND BRINGING HOME BABY

Rick Fersch, president/CEO of Eddie Bauer, a specialty retailer of casual clothing, accessories, and home furnishings, makes plain the corporate philosophy underlying the company's work and family policies by insisting that its employees "should not confuse having a career with having a life." Bauer's primary goal of reducing stress at work and providing flexibility for parents includes their Home and Healthy program.

"I was personally concerned," explains Sue Storgaard, Director of Work/Life services at Eddie Bauer, "about new mothers being sent home from hospitals so soon after birth." She contacted Pediatric Home Care, an affiliate of Children's Hospital and Medical Center in Seattle, and partnered with them to design a postpartum visit program in which a registered pediatric nurse arrives at the new mother's home within 72 hours of her hospital discharge. There, in a visit lasting one to two hours, the nurse examines both mother and baby and answers all the new parents' questions, calming their anxieties.

To take advantage of this benefit, an employee simply gets a release from the pediatrician during the mother's pregnancy; upon the baby's birth, the service provider is contacted to set up the appointment. Eddie Bauer covers the full cost of the visit, with the cost of any follow-up visits picked up by health insurance.

Costs: The program is easy and low in cost, requiring minimal administrative overhead; Eddie Bauer merely sends the paperwork to the service provider and pays the bill.

Results: As Storgaard reports, parents are very appreciative of the program. So is the company. "You can write pages and pages about your corporate philosophy," she explains, "but it's these small significant programs that really prove you mean it."

Next Steps: Eddie Bauer plans to continue to offer this program.

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increase understanding of child development and parent-child relationships, provide models of parenting, and teach parenting skills. The report of this task force, *Starting Points: Meeting the Needs of Our Youngest Children*, stresses the importance of continuity, or maintaining ongoing relationships with parents; flexibility, or creating services and supports geared to the strengths, styles, and needs of individual families; and outreach, or linking families with other parents and with community resources.⁹¹

According to the 1998 BWLS, a quarter of today's companies are responding to this need by providing workshops or seminars on parenting, child development, care of the elderly, or work-family problems. Larger companies in the professional services industry, companies with higher proportions of female employees, and companies with higher proportions of top executive positions filled by women and/or minorities, and with fewer hourly employees, are most likely to provide on-site parenting seminars.⁹² Some companies, such as Starbucks, encourage employees to form their own peer support groups.

Home visitation. Home visiting is a very powerful way to help parents adjust to the demands of a newborn, seek answers to pressing questions, link up with community services, and gain specific parenting skills. When home visitation programs begin before a child's birth, they can help expectant mothers cut down or stop smoking and improve their nutrition; they have been shown to result in fewer preterm infants and fewer low-birthweight babies. In the early months of life, these programs have been shown to improve the quality of care children receive, child development, and the mother's ability to seek and hold a job and plan future pregnancies.⁹³ Home visitation programs come in many shapes and sizes, and returns on investments therefore vary. According to some estimates, every dollar spent on home visits for high-risk pregnant women can save more than \$5 in obstetrical, neonatal, and pediatric costs.⁹⁴

Breastfeeding. When babies are nourished with breastmilk, everyone benefits. Mothers feel better about their babies' nutrition, babies enjoy better health, and employers have fewer absences to contend with. Without planning and support by employers, however, nursing can be very difficult. Although 55 percent of working mothers breastfeed their infants, those who work outside the home tend to stop sooner than those who are not employed. Only 10 percent of working mothers continue nursing for six months following birth, compared to 24 percent of at-home mothers.⁹⁵

Parents have long known that breastfeeding is comforting for an infant, but now scientists are showing that it can also improve their chances of later school success. The January 1998 issue of *Pediatrics* features the results of an 18-year study of the long-term benefits of breastfeeding. The study found that breastfeeding is associated with small but detectable increases in cognitive ability and educational achievement. The study, which involved 1,000 New Zealand children, found that babies who had been breastfed for eight months or more were more likely to succeed in school: They scored higher on IQ tests; demonstrated increased reading comprehension, mathematical ability, and overall scholastic ability; received higher teacher ratings in reading and math; and achieved higher scores on high school exit examinations.⁹⁶

Today, more companies are helping mothers return to work without denying their infants the benefits of nursing. The 1998 BWLS shows that more than one-third of employers (37 percent) provide opportunities for women who are nursing to continue to do so by expressing and storing breastmilk at work.⁹⁷ Lactation assistance programs have been shown to decrease health care costs for mothers and infants while cutting down on absenteeism. A study of lactation assistance programs run by the Los Angeles Department of Water and Power and the Aerospace Corporation showed that infants who were breastfed had 33

PRICEWATERHOUSECOOPERS

New mothers often face a dilemma when they return to work: how to continue breastfeeding their infants while meeting their workplace responsibilities. PricewaterhouseCoopers, a business advisory and consulting organization with more than 140,000 professionals around the world, faced this issue when a new mother, whose premature baby required breastfeeding, found that there were no supports for those who needed to breastfeed in the workplace.

In December 1997, PricewaterhouseCoopers launched its New Mothers Corporate Lactation program, complete with educational materials, access to lactation consultants, a state-of-the-art breast pump, and a "mothers room" in several offices. "Studies have long linked significant health benefits with breastfeeding, and this program provides support for new mothers at our firm who wish to continue to breastfeed after returning to work," Marjorie Mayerson, Director of Benefits, explains. "We're glad to be able to add to our growing number of flexible work-life initiatives that help ease the transition back to work for many working mothers."

To administer this program, PricewaterhouseCoopers contracts with Sanvita, a division of Medela, one of the major manufacturers of lactation equipment. Upon enrollment, participants in the New Mothers Corporate Lactation Program receive a packet of educational materials (including a parent manual and tip sheets) and may use any or all of the program's services, including: prenatal education through consultation with a professional lactation consultant during the last trimester of pregnancy; maternity leave support with six weekly outreach calls from a lactation consultant beginning three to five days following birth and unlimited number of calls to lactation consultants during maternity leave; return-to-work consultation; a lactation consultant focused on making the transition back to work; continued access to lactation consultants during the first four months back at work; partial subsidy of an electric breast pump; and, at some locations, a "mothers room" for breastfeeding during the workday.

Costs: PricewaterhouseCoopers makes this program available at no cost to all women who work for the firm in the U.S., including all part-time staff. Participants pay a nominal fee for the breast pump, which the firm subsidizes.

percent fewer illnesses than bottle-fed babies, including 21 percent fewer illnesses that led to a parent's absence from work. The programs were shown to decrease absenteeism by 28 percent and sick child health care claims by 36 percent.⁹⁸

Coping with high-risk babies. Warm, responsive care and a stimulating home environment are very important for all young children, but especially those who are considered high-risk on the basis of a very low-birthweight. These children are more likely than other children to have developmental delays, including cognitive delays. But research that followed very low-birthweight infants until age three and a half shows that chil-

dren at high biological risk are able to catch up, in terms of cognitive development, in a highly stimulating home environment. In contrast, those who experience a less stimulating home environment show a decline in cognitive development.⁹⁹ Early intervention programs, designed to help parents foster the healthy development of high-risk babies, can therefore have very significant benefits.

Child development experts such as Dr. Craig Ramey are beginning to suspect that intervention at kindergarten provides much less benefit than in the prenatal period and the first weeks of life.¹⁰⁰

Results: The program was launched in December 1997. PricewaterhouseCoopers has already seen an increase in morale and ease of transition back to work for mothers. Participants have reported a very high approval rating of the program.

Advice: "Find someone who is passionate about this issue and really cares" to start and administer the program, says Susan Ostmann, coordinator of the program. "Don't be afraid to use the word *breastfeed* it may make some people uncomfortable, but to implement a program like this, you need an advocate who will constantly remind managers that this is an important and necessary support for some working mothers."

Next Steps: More than 20 PricewaterhouseCoopers work locations are already providing "Mothers' Rooms" for new mothers who continue breastfeeding after they return to work and who need a private place to use breast pumps during the workday. Other work locations are establishing Mothers' Rooms as needed.

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When it comes to intervention, time is of the essence: This conviction is increasingly informing policy on education and human services. Research shows that early intervention for high-risk children is a sound investment. For example, premature infants at a Boston hospital who received developmental care and intervention had much shorter hospital stays than those who received traditional care (87 vs. 151 days), saving \$91,000 per infant.¹⁰¹

The evidence, based on half a century of research, is both quantitative (based on statistics) and qualitative (based on reports by parents and

teachers). It shows that early intervention boosts children's developmental and educational gains, improves family functioning, and reaps long-term benefits for society. When early intervention is well-timed and high in quality, it can shrink education costs by reducing the need for special education or remedial services and cutting the retention rate.¹⁰² Of course, children with disabilities may require special services whether or not they receive early intervention, but with early intervention, their later needs often become less intense and less costly. One study calculated the total

SUPPORT FOR NURSING MOTHERS AT HONEYWELL

Honeywell, Inc., the Minneapolis-based manufacturer of climate, aviation, and safety control systems, has been a forerunner in developing an organizational culture sensitive to the needs of working parents. The company has a broad range of work-family initiatives designed to promote healthy families.

Honeywell's Nursing Mothers program at corporate offices offers free consultation with a health education nurse, breastfeeding classes taught by delivery nurses that offer both pre- and post-delivery advice. Special efforts are made to encourage partners of the expectant/new mother to attend. Honeywell also has fully supplied lactation rooms—quiet, comfortable, and secure settings where women can express breast milk. To ensure their privacy, nursing mothers can purchase insulated coolers that look like lunch bags to store the milk.

Launched in 1993, the program was the brainchild of Honeywell's Health Services nurse educator. Her case to company leaders stressed that breast-fed babies have fewer illnesses than bottle-fed babies do. Helping mothers continue to nurse was therefore a win-win situation. The program would cost little to implement and could produce cost savings based on lower absenteeism and medical costs.

Since the program was initiated, almost every returning nursing mother has made use of the lactation rooms. As a direct result of the program's success at corporate headquarters, Honeywell created similar programs at their other sites.

Cost: Costs are minimal, since all that is required is a room supplied with one or more breastpumps. Mothers can purchase insulated coolers.

Next Steps: Honeywell expects to continue periodic marketing materials for the Nursing Mothers program and distribute materials to all new and current employees.

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cumulative costs of special education services to age 18 for children who began to receive these services at birth, at age two, and at age six, finding that the total costs were actually less if services began at birth.¹⁰³

Researchers and practitioners have shown that early intervention can produce good results for

children with many kinds of disabilities. They have shown that early identification and early intervention can minimize or lessen the impact of such diverse conditions as cerebral palsy, autism, Down's syndrome, hearing and vision impairments, and many other disabling conditions. One important national study, the Early Intervention Collaborative Study, followed 190 children with

BABY PLUS LIFE AT TIME WARNER

What if...the baby stopped breathing? Would I know what to do? All parents wonder, at least now and then, whether they are prepared for an emergency. Time Warner, Inc., the world's leading media and entertainment company, offers a program for new and expectant parents called Baby Plus Life. This program teaches medical emergency information and skills, including CPR. It consists of two sessions totaling four hours. Both sessions take place during an elongated lunch break.

Baby Plus Life is but one of the WorkLife Lunchtime Seminars available to Time Warner employees. The seminar series is a combined effort of the company's WorkLife Department, the Medical Department, and the Employee Assistance program. The Medical Department sponsors a two-part lunchtime seminar called Preparation for Parenthood. Topics of WorkLife seminars include: How to Survive a New Baby and Nanny; Couple to Family; Becoming a New Parent; and Taming the Office Tiger.

The seminars are conducted every other week and are advertised by means of desk drops every month. Careful attention is paid to addressing current concerns of employees as well as finding local experts who can deliver a quality product.

Results: Nancy Platt, Associate Director of Training/Work Life Initiatives, can cite numerous examples of participants' increased loyalty and commitment to Time Warner.

Advice: Start small and use local resources. One does not need a lot of money to begin a seminar program.

Next Steps: Time Warner has begun building an Intranet that will greatly facilitate the dissemination of these materials and additional information to more employees.

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Down's syndrome, motor impairment, or developmental delay in 29 programs. All but 11 children made significant gains. To be sure, those with severe impairments made slower progress, but early intervention helped them maintain their skills and prevent regression.¹⁰⁴

Connecting with community services and resources. Many communities have organizations and services that can help parents negotiate the

difficult first months, such as parenting hot lines, health care and social-service agencies, drop-in centers, and voluntary home visiting programs. Parents may be able to take advantage of referral services that can help them make their way through the child care labyrinth. And some parents, including some low-wage workers, may be

SUPPORTING DADS AT NATIONSBANK

At a time when family-friendly companies are striving to extend their paid maternity leaves, a handful of companies are making equal strides in providing paternity leaves. NationsBank, one of the nation's largest banking companies, offers up to six weeks of fully paid paternity leave to fathers who are their children's primary caregiver. The leave may be broken up to meet the family's needs. Despite the fact that approximately 70 percent of its employees are female, NationsBank fosters an environment that supports fathers as well.

Paternity leave was introduced in the late 1980s, when corporate leaders noted a decrease in the number of new parents returning to work. A survey revealed that employees highly valued parental leave and flexible scheduling.

All benefit-eligible employees who work 20 hours or more per week may take advantage of the leave policy. Upon returning to work, the employee is guaranteed a comparable, if not the same, job. Information about the leave policy is made readily available to employees through their personnel managers, employee handbooks, work/family events, and online via Internet and Intranet sites.

History: Paternity leave has been available since 1988.

Results: Programs like paternity leave have been very successful in addressing the needs of associates with young children who must balance both work and family responsibilities. A large percentage of the father workforce has made use of part or all of their NationsBank leave time to help care for their newborn children.

Advice: Hugh McColl, NationsBank CEO, states, "At NationsBank, we have a simple philosophy. If we take care of our associates, they will take care of our customers and that, in turn, takes care of our shareholders. It's the way we do business—it's what makes NationsBank a one-of-a-kind place to work."

Next steps: NationsBank continues to provide and develop flexible, wide-ranging programs and resources to help associates make choices that fit their individual and family needs.

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eligible for subsidized care. However, parents cannot take advantage of these resources if they do not know about them or cannot get to them. It can be difficult for parents to maneuver through the system. In the absence of concerted outreach efforts, parents may have no idea that help is available.

For example, many parents eligible for targeted child care subsidies don't know about them. State agencies have apparently lacked the funding or human resources to add outreach services to their workload. Few states can afford the outreach workers and case managers needed to help families learn about or make sense of available programs and the regulations that accompany them.¹⁰⁵ A study of California Aid to Families with Dependent Children (AFDC) recipients conducted in 1994 reported that 61 percent were unaware of a benefit that allowed them to deduct their child care expenses if they went to work. Even families who are successful in securing benefits can have a difficult time fathoming eligibility rules, reimbursement rates, and time limits on benefits. When families shift from one source of subsidy to another, the process can become even more confusing.

Time for Parenting

An expanding body of research shows that children thrive when they have the opportunity to form a strong attachment to at least one loving adult—a mother, father, or other caregiver. A secure attachment fosters healthy growth across the developmental spectrum. It also promotes good health. Researchers have found that young children who are anxiously attached to their primary caregiver use acute care services (walk-in and emergency room) significantly earlier and more often than those with a secure attachment.¹⁰⁸

Employed parents can indeed form secure attachments with their children, but the first months of life can be more satisfying and less stressful for all concerned when parents have stretches of time to spend with their new baby. "All concerned" includes employers: According to the 1992 NSCW, workers who have access to flexible time and parental leave are more satisfied with

their jobs, more likely to want to remain on the job, and more likely to show initiative than workers with no access to these policies.¹⁰⁹ Studies at individual companies confirm these national findings. For example, a study at Johnson & Johnson conducted by the Families and Work Institute found that employees' average number of days absent declined over the two-year period following the introduction of much more generous and flexible time and leave policies. Moreover, those who took advantage of the flexible time program were more likely to want to stay on the job, and more likely to recommend J&J as an employer to prospective employees, than nonusers.¹¹⁰

Parental leave. Americans place a high value on parental leave—especially for mothers. The Family Medical Leave Act (FMLA) of 1993 has given many more parents the opportunity to care for their children full-time during the crucial first months of life. FMLA provides 12 weeks of unpaid, job-guaranteed leave for childbirth or adoption for employees who have worked at least 1,250 hours over the preceding year for an employer with 50 or more employees within a 75 mile radius of their worksites. While FMLA does not cover all workers, it extends parental leave to a significant percentage of parents: An estimated 41 percent of employed mothers and 49 percent of employed fathers qualify.¹¹¹

FMLA does not require employers to compensate parents who take leave. However, the 1998 BWLS shows that just more than half (53 percent) of companies with more than 100 employees offer new mothers some replacement pay beyond compensation for vacation days, accrued sick days, or other paid personal time off. However, only 13 percent of these companies offer replacement pay to new fathers. Typically, employers do not provide full pay. Temporary disability insurance (TDI) is the primary source of paid maternity leave; 81 percent of employers that offer replacement pay rely on TDI. By law, any company that offers TDI for any disability must include childbirth and related disabilities.

SIGNING UP FOR PERSONAL LEAVE AT HANCOCK

John Hancock, the nation's ninth largest life insurance company, offers not maternity leave, but personal leave, available to every employee. For pregnant women specifically, disability leaves are available for six weeks with pay. After that, new mothers can remain on personal leave for as long as an additional nine months. For the first six months John Hancock guarantees the employee's original job; from months seven to 12, the company will make every effort to find the employee a comparable job upon returning to work.

Because the company understands that a successful leave policy depends on the intelligence of its implementation, among the unique aspects of John Hancock's generous personal leave policy are the substantial resources set aside for employee counseling. The counseling guides employees to the kind of leave that best suits their specific situation. Indeed, recognizing that every employee serves a particular, necessary task for the company, John Hancock makes available personal negotiators with the time and the resources to work out compromises that will meet the legitimate needs of both employer and manager. For instance, an employee who was trying to arrange a personal leave around her pregnancy was assisted by a counselor in negotiating with her manager, who feared her unavailability for the end-of-year accounting period. The full leave went through, with a proviso that in the case of a severe problem, the employee would make herself available for phone consultations.

In addition, John Hancock has been working recently with new mothers to ease them back to the obligations of employment through a "phasing in" policy. The aim is to help a woman return to work more quickly without sacrificing the crucial time the new mom has with her child. The response to this program has been very positive. The result: a definite trend of female employees shortening personal leave time without the unproductive stress of feeling neglectful toward the deep personal responsibilities of home.

Results: There have been approximately 300 births to employees per year. Female employees are definitely returning to work sooner, and this is credited to the new policy of helping mothers transition back into the

Companies in the goods-producing industries (largely manufacturing), companies that are unionized, and companies with higher proportions of women in executive positions are more likely to provide replacement pay during maternity leave, as are companies with smaller proportions of part-time, hourly, and female employees.¹¹²

Of the employers surveyed in the 1998 BWLS:

- Thirty-three percent provide more than the 12 weeks required by FMLA for maternity leave, with 1 percent clearly out of compliance with federal law.

- Sixteen percent of companies offer more than 12 weeks of paternity leave; 13 percent offer from 13 to 26 weeks; and 3 percent offer more than 26 weeks. Ten percent provide fewer than 12 weeks, with 2 percent being clearly out of compliance with federal law.

Source: Families and Work Institute 1998 BWLS survey of companies with 100 or more employees.

The 1997 NSCW indicates a high level of confidence among parents with children under the age of six that parental leave will not jeopardize their employment. The vast majority (93 per-

workforce. WfD (formerly Work Family Directions), Hancock's external work-life vendor, estimates that work-family programs are saving the company \$500,000 per year. Coordinator of Work/Life Programs Kathy Hazzard claims that this is a conservative estimate; when the additional Hancock programs (not administered by WfD) are factored in, the savings reach approximately \$800,000 to \$1 million.

Advice: Hancock's choice to not delineate a separate maternity or paternity leave has prevented backlash from single employees who have no children. Hazzard finds that treating every employee the same in terms of leave possibilities has increased the credibility of work-life programs at this company.

Next steps: Hancock is exploring the possibility of combining its personal leave policy with a telecommuting policy. Employees could combine a telecommuting arrangement with a partial leave.

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cent) believe that women can take time off from work for childbirth without endangering their jobs. There are no differences among employee groups on this question, including women and men, those who have lower and higher family incomes, or those who work for small, midsize, or large organizations. A smaller but still significant majority of working parents (80 percent) think that men can take time off from work when they become fathers without endangering their jobs. Single mothers and fathers with young children (including those who are divorced or widowed) report that single fathers have less access to paternity leave without job jeopardy than do fathers who are married or living with a partner.¹¹³

FMLA also covers parents caring for newly adopted or newly placed foster children. According to the 1998 BWLS, most employers with 100 or more employees provide the minimum of 12 weeks leave. Ten percent allow fewer than 12 weeks, while 16 percent allow more. But relatively few companies—only 13 percent—provide replacement pay for employees on leave for adoption and foster care placement.¹¹⁴

Finally, FMLA provides job-guaranteed leaves so that parents can care for seriously ill children or other family members. This benefit affects many parents: The American Academy of Pediatrics estimates that 10 to 15 percent of American children

suffer from a chronic illness at some point during childhood. According to the 1998 BWLS, the great majority of employers provide at least 12 weeks leave; 7 percent allow fewer than 12 weeks while 14 percent allow more.¹¹⁵

Flexible scheduling. In recent years, more companies have recognized that flexible scheduling does not cut productivity; in many cases, it allows working parents to be more focused and efficient on the job. A report by the Conference Board concludes that, "[F]lexible work schedules increase employee responsibility, independence and growth potential, thus motivating the employee...."¹¹⁶

Today, 44 percent of employed parents with young children have access to traditional flextime: They are allowed to select their starting and quitting times within a specified range of hours.¹¹⁷ In fact, commercial software products are now available to help employees draft proposals to their employers, requesting a nontraditional or flexible schedule. Workers at smaller organizations are just as likely as those at larger organizations to have access to traditional flextime. Not unexpectedly, women, lower-wage workers, and workers with lower family incomes have less access to traditional flextime than other workers have.

Fewer working parents (26 percent) can change their starting and quitting times on a daily basis. Once again, lower-wage workers are less likely to have this option: Only 13 percent of workers from lower-income families can change their start and finish times on a daily basis.¹¹⁸

Data from the 1998 BWLS show that:

- 81 percent of companies allow employees to return to work gradually after childbirth or adoption.
- 68 percent allow employees to periodically change starting and quitting times; 24 percent allow employees to change starting and quitting times on a daily basis.
- 57 percent of companies allow employees to move from full-time to part-time work and

back again while remaining in the same position or level.

- 38 percent allow employees to share jobs.
- 88 percent of companies allow employees flexibility to attend their children's child care or school functions.

Source: Families and Work Institute 1998 BWLS survey of companies with 100 or more employees.

Of course, policy alone does not dictate employee behavior. Some companies have no formal policies in place but allow new and expectant parents to take time off when they need to. At other companies, flexible schedules may be the official policy but are nevertheless frowned upon by supervisors or discouraged by the company's culture.

According to the 1997 NSCW, 37 percent of working parents with young children report that it is hard to take time during the day for family or personal issues. Parents from lower-income households find this more difficult to do than other groups of employees. And 43 percent believe that taking advantage of flexible scheduling impedes advancement.¹¹⁹

Working at home. While flextime has been part of the business scene for some time, flexplace policies are relatively new. These policies allow employees to work off-site—at home or elsewhere—some or all of the time. As electronic communications become more common and more affordable, working at home becomes feasible for more workers. Some companies, especially those in the high-tech industry, actively encourage telecommuting. Hewlett-Packard, for example, has more than 5,000 telecommuters.

The 1997 NSCW found that about one-quarter of wage and salaried employees either are, or could choose to be part of the telecommuting workforce. A surprising 19 percent of employees with young children work at least part of their regularly scheduled hours at home, and an additional 7 percent say that they would be allowed to do so.¹²⁰

FLEXTIME IN NEBRASKA

4:15 p.m. Sharon leaves a file open on her desk, as if she will be back any minute. But instead of heading for the water cooler or the ladies room, she heads for her car—rushing to make the 4:30 pickup at her twins' child care center. She has put in a full day—she worked through lunch. But she hates the feeling of sneaking out...

That's the way it used to be, workers at the Nebraska Department of Labor recall. Three years ago, the state agency reconsidered its scheduling practices. Now its 575 employees all have access to a flextime program that allows a great deal of individual leeway. In fact, four out of five employees currently have flexible work schedules.

Each employee negotiates a clear flextime contract with the agency, and virtually every plan is different. According to Leesa Anderson, Human Resource Director, employees' individual needs are so unique that they cannot be wrapped in a single package. One department has three women, two of whom are working mothers. One wants to come in a little later, after her school-age children are on the bus. The other prefers to come in early so she can spend the late afternoon with her toddler. Both take only a half-hour for lunch so they can leave a little earlier.

The agency has found flextime scheduling to be an invaluable employee motivator and therefore makes every effort to accommodate all reasonable requests. Anderson stresses that work hours are flexible but regular. She believes that the policy works because it has been formalized. Guidelines are set forth in a flextime policy manual. Written work schedules are placed in employees' personnel files to avoid confusion and misunderstanding.

Results: Although there was a concern that flextime decreased productivity, this has not been the case. Approximately 80 percent of employees take advantage of the program.

Advice: Flextime benefits all parties. Employees win because they are less stressed and better able to meet their family responsibilities, and employers win because workers are more focused on the job. A trial period is advisable to test the program's effectiveness.

Next Steps: The next step for this agency is telecommuting. Many employees have asked for this, but currently there are security problems. Due to the nature of the work, files need to be secure. Once a security system is installed, telecommuting arrangements will be possible.

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TIME IS OF THE ESSENCE AT KPMG

Late March...tax day is around the corner, and the staff of KPMG are working at full throttle. Weekday overflows into Saturday, and the company provides Saturday child care for parents with young children.

The workflow rises and ebbs with the seasons at KPMG, and so do the schedules of the firm's 19,020 partners and professional staff. KPMG's Flexible Work program is designed to reflect the company's work rhythms as well as the family commitments of its employees.

KPMG employees may choose among three types of arrangements:

- *Flextime* employees continue to work a full schedule but have the freedom to choose the days or hours worked. Working a compressed schedule is considered a form of flextime.
- *Flexplace* (telecommuting) employees continue to work a full schedule, with the freedom to work at home with the support of technology.
- *Flexible* (part-time) employees work a reduced schedule; they continue to receive benefits so long as they work at least 1,000 hours per year. According to the company, this is a popular option for new mothers. The flexible work program allows new mothers to phase back to work with a modified schedule and still be guaranteed their jobs. Job sharing is also a local office option, allowing two people in similar positions to share a job; each works a reduced schedule.

While KPMG offers many programs aimed at helping employees balance work and family, the company believes that the Flexible Work program is especially helpful to new parents. The program's design reflects the best practices that have been in existence for years at local offices. When the program was initiated in 1994, the company issued guidelines and addressed frequently asked questions in its national human-resources newsletter.

One indication of the firm's commitment to this program is the fact that flexible work schedules are offered to employees at all levels, and do not prevent employees from advancing. For example, eight women partners are currently participating in the program. Since the program was launched, a number of women working flexible schedules have been promoted to partner, senior manager, or other supervisory positions.

An evaluation of a work-at-home program conducted by the federal Office of Personnel Management found that the organizational costs of off-site work and telecommuting were minimal. More than 80 percent of supervisors reported no additional costs. Indeed, significant savings were anticipated in the long run, based on reductions in facility costs.¹²¹

The 1998 BWLS found that:

- 33 percent allow employees to work at home or at off-site locations on a regular basis, pos-

sibly linked by telephone and computers, and another 14 percent are considering doing so.

- 55 percent allow employees to work at home occasionally, and another 6 percent are considering doing so.

Source: Families and Work Institute 1998 BWLS survey of companies with 100 or more employees.

KPMG is also proud of its Personal Days program, introduced a decade ago. Employees receive between 20 and 30 paid days off a year, depending on their years of service and classification, to use at their sole discretion. Expectant or new parents can use these days to keep medical appointments, care for sick children, or just enjoy a day off. Employees may use Personal Days as paid parental leave; they are also entitled to 12 weeks of unpaid leave.

History: KPMG's Flexible Work program was deployed firm-wide in March 1994. The Personal Days program was introduced in 1988.

Results: KPMG has determined through statistics kept in its firm-wide Flexible Work program database and through an annual survey of local offices that all levels of employees participate in this program. In 1996, 1997, and 1998 several women were promoted to partner while working flexible (reduced) schedules.

Next Steps: KPMG continues to review and revise its flex program guidelines, as well as other work-life initiatives, based on feedback from employees.

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Solving the Child Care Puzzle

Child care resource and referral services. Who will take care of the baby when I go back to work? How will he react? Will she be safe? These are some of the questions that trouble new mothers and fathers when it is time to go back to work.

For most new mothers (who tend to stay home longer with a new baby than fathers do), that day arrives very quickly. Some work part-time, but most working mothers with children under the age of six, nearly seven million of them,

hold down full-time jobs. Covering all of their working hours may require more than one arrangement. Many parents piece together a child care patchwork: mornings at a child care center and afternoons at a neighbor's, or a blend of relative care and a family child care home.

Working parents make various kinds of arrangements for their children. According to U.S. Census Bureau figures, in 1993 there were

GROWING ASSETS AT THE CHASE MANHATTAN BANK

Boeing-McDonnell Douglas, Worldcom-MCI, Citicorp-Travelers, BankAmerica-Nationsbank, Daimler-Chrysler, SBC-Ameritech—these nineties mergers signal a brave new world of global capitalism. What happens to employee policies and practices when megamergers create organizations of immense scale? Observers of corporate life will be watching the trends carefully. But they have at least one example of a company that has maintained leadership in the work-life field in the aftermath of a major expansion.

After its merger with Chemical Bank, the Chase Manhattan Bank maintained its commitment to helping new and expectant parents juggle their many responsibilities. The spectrum of services offered by Chase has grown along with its workforce. According to Joy Bunson, Senior Vice President of Organizational Development, programs that address work-life issues "ensure employee satisfaction and effectiveness at work, and, ultimately, ensure Chase's growth and success."

When Chase employees return to work after a birth or adoption, they can make use of the Eight Week Advantage program, which provides eight consecutive weeks of free child care at one of Chase's child care centers. In addition, the program offers monthly on-site visits by a pediatrician (who is also available on-call); parent education on choosing quality child care; and counseling on child development, parenting skills, and other issues. Chase is currently the only company in the United States to offer such a program.

Expanded in 1996, the program is offered at two centers that primarily handle employees' short-term or emergency child care needs: Chase's Back-Up Child Care Center (the nation's first backup child care center accredited by the National Association for the Education of Young Children) and its Growing Assets Center, the first employer-subsidized, neighborhood-based center in New York City. The Growing Assets Center also serves children from the community whose parents do not work for Chase.

History: The program was implemented in 1995 as a direct result of employee feedback.

Costs: Chase was unable to provide cost information for the program; however, the company indicated that few additional staff were needed in order to offer the eight-week slots.

Advice: "Listen to the employees' needs—don't develop programs for programs' sake," says Christine Fossaceta, Manager of Work/Life and Workplace Programs at Chase.

Next Steps: Currently, Chase has committed to build six new back-up child care centers across the country. All six centers will include the Eight Week Advantage program and are scheduled to open during 1998 and 1999.

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approximately 10 million children under the age of five with mothers in the workforce.

- Approximately 30 percent spent their days in child care facilities, such as child care centers, nursery schools, or preschools.
- 25 percent were cared for by relatives either in the child's home or in the relative's home.
- 17 percent were cared for in the home of a non-relative provider.
- 5 percent received care in their own homes by a nonrelative.
- 1 percent were cared for in other arrangements.
- A total of 22 percent were cared for by their own parents; either a parent cared for his or her own child while working (at home or away from home), or parents worked different shifts and took turns caring for their children.¹²²

These figures do not adequately capture the reality of most families' arrangements, however. More than half of employed women with children under the age of six say that child care is a serious problem.¹²³ Most children move in and out of different arrangements and spend their time in multiple settings over the course of their early childhood years—and often within a single day. Transporting children from one setting to another, and helping them manage the transitions, are among the challenges that parents and child care providers face. It is little wonder that stress ranks as working women's number one problem; the problem is even more acute for single mothers.¹²⁴

When child care problems are chronic, parents don't just miss work; they may leave their jobs altogether. The Child Care and Employment Turnover study found that mothers who do not have access to a center-based child care program

within 10 minutes from home were almost twice as likely to leave their jobs as those who did. The availability of child care appeared to have the greatest effect on mothers earning moderate wages—between \$12,942 and \$15,574 per year.¹²⁵

Finding the right child care is important throughout children's preschool years, but finding good infant care often proves especially difficult. Today, infants and toddlers constitute the fast-growing population of children in child care programs.¹²⁶ A recent 10-community study of infant child care reports that 80 percent of infants in their sample experienced some regular nonmaternal child care during the first 12 months of life.¹²⁷ Most of these babies start child care during their first three months; they are typically in care for nearly 30 hours a week.

The first year of life is especially critical to healthy brain development. To be sure, high-quality infant care programs can provide very good, responsive care, but many programs are inadequate. Three multisite studies have found that between 35 and 40 percent of infant and toddler settings (whether center-based or home-based) were of such poor quality that they jeopardized children's health and safety.¹²⁸ These are disturbing statistics in light of research showing that when babies spend their days in impoverished settings, their growth and development may be compromised.¹²⁹ This conclusion squares with the findings of neuroscientists who say that emotional, social, and cognitive development are closely linked and that a secure bond to a responsive caregiver is a key to healthy development in the first months and years of life.¹³⁰

Many parents want their newborns to spend their days in a homelike environment rather than an institutionlike setting. These parents try to arrange care by a relative, neighbor, or family child care provider. While some of these arrangements can work very well, nonregulated, informal

THE SECOND TO KNOW...AT PATAGONIA

"To honor our obligations to each other..." The mission statement of Patagonia, Inc., says it all. Company leaders understand that it is not enough to provide benefits to parents without also promoting an overall corporate culture which is responsive and supportive. Patagonia realizes that it cannot separate employees' personal and work roles and still remain competitive.

Patagonia designs and sells outdoor wear and equipment and has a workforce of 614—roughly half of whom are female. The company provides a wide range of resources and services to new and expectant parents in a family-friendly environment. "We're often the second to know of a pregnancy, after the employee's husband," according to Director of Family Services Anita Garaway.

Since the founding of the company, it was not long before "there were children everywhere," causing Patagonia to structure formal work-family services to respond to its employees' changing needs. The first component of the work-family services was the Great Pacific Child Development Center (GPCDC), an on-site child care facility for children ages two months through 10 years, which began in January of 1984 with much guidance and support from Malinda Chouinard, co-owner, with husband Yvon, of Patagonia. Being advocates of breastfeeding for infants, the owners thought an on-site child care center to be the most obvious solution to promote productivity on the part of mothers returning to the workplace after giving birth as well as to prevent any disruption to the mother-infant bonding process.

Due to the child care center's popularity, expectant mothers are quick to put their names on the GPCDC waiting list. (In response to the fact that GPCDC was quickly reaching its capacity and the realization that some children may be happier in a smaller home environment, the Great Pacific Family Care Contract Network was developed, which provides parents with quality home care alternatives. In order for providers to join the Network, they must be licensed and adhere to specific GPCDC requirements.) Prenatal and parenting books and materials are available on-site. Given that they are predominantly health-conscious individuals, the employees themselves encourage expectant mothers to seek prenatal care and make efforts to provide an environment that is safe for both mothers and babies. The Child Development Center staff pay home visits to new mothers and their babies to observe the home environment. Nursing mothers have access to lactation rooms equipped with breastpumps. Parent education seminars that reflect a variety of different topics of interest to employees are offered at the worksite during lunchtime throughout the year. In addition, each GPCDC classroom holds parent-teacher meetings to discuss the child's development. Furthermore, with the school support program, parents with school-age children are encouraged to participate in their child's classroom activities. For parents who choose to work from home, Patagonia is willing to supply laptops and modems if needed. "Overall, everybody helps everybody," states one employee, "from parenting tips to children's hand-me-downs to arranging playdates. People are friends here."

Costs: Estimated costs for 1995-96 total \$585,231.

Results: Patagonia's cost-benefit analysis focuses on five key issues:

Dollar Benefit for 1995-96:

1.	New parents returning to work/retention	\$389,840
2.	California tax credit (SB 227)	\$ 22,738

3.	Federal tax deduction	\$151,943
4.	State tax deductions (HI, UT, ME, MT, CO, CA)	\$ 13,354
5.	Reduction in employment taxes due to employee participation in DCAP programs	\$ 11,105
Total Savings		\$588,980

Work-Family Program Costs for 1995-96:

1.	Great Pacific Child Development Center (on-site child care center) and other associated programs	\$441,614
2.	Child care leaves and insurance coverage for four months	\$141,166
3.	Insurance coverage while on leave for employees ineligible for leave	\$940
4.	School Support Program	\$1,511
5.	Staff Replacements Costs	\$0
Total Cost		\$585,231

Total Dollar Benefit (Savings—Costs) **\$3,749**

Other effects of the work-family services include increased employee morale, increased productivity, reduced absenteeism, and recruitment benefits.

Advice: Garaway recommends that companies interested in starting work-family programs engage a consultant who is knowledgeable about both business and child care. In addition, she strongly urges sustained focus on program quality. Finally, offering family-friendly programs is only half of the solution; promoting a family-friendly corporate culture is requisite for any program to be effective in keeping a company competitive in the business community.

Next Steps: Patagonia's goals for its work-family alternatives include continual redefinition of quality in care, the continual evaluation of employees' needs, and the continual development of innovative programs to meet those needs.

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FIRST CHICAGO NBD: CHILD CARE WORKSHOP SERIES

First Chicago NBD Corporation is one of the nation's 10 largest banking companies. First Chicago NBD employs more than 36,000 employees—69 percent of them female. In order to recruit and retain top employees, the company set up a Work and Family Resource Center in 1994. The Center offers numerous programs aimed at new and expectant parents and provides flexible work options and education for the company's employees. Child care is a key focus.

The Center runs an on-site child care resource and referral program that helps parents find and arrange affordable child care. But a key to quality in child care is parents' knowledge of their full range of options. First Chicago NBD therefore offers an elaborate Child Care workshop series. Each quarter a card listing the various workshops and their locations is sent out to the entire employee population. Topics include: Child Care for First Time Parents; Preschoolers: What Is Normal; and Helping Your Pre-Adolescent Succeed in Middle School. Each workshop delves into a topic in depth, addresses participants' specific needs, and provides opportunities for active learning. For example, at the workshop entitled Child Care for First Time Parents, new and expectant parents can learn about the advantages and disadvantages of various child care options, get help in defining the types of child care they need, and receive coaching on how to interview providers. They are also informed about the company's return-to-work policies. Videos and teleconferenced workshops are also available on this topic.

Although many companies provide workshops on these topics, First Chicago NBD's efforts stand out because of the company's aggressive marketing of its parent education program and its commitment to making services available to the entire workforce.

Costs: Out-of-pocket costs are \$200 for printing costs.

Results: More than 4,000 employees have contact with the services of the Work Family Resource Center each year. Survey data indicate that employees save from one to five workdays per year for each consultation they have with the Center.

Advice: Linda Siebert Rapoport, Vice President of the Work and Family Resource Center, advocates a strong publicity campaign. The bank's practice of sending out quarterly cards listing upcoming workshops and other Center events has increased utilization.

Next Steps: By the end of 1998, all First Chicago NBD employees will have access to the entire gamut of services offered by the Work and Family Resource Center.

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arrangements are notoriously fragile and can easily fall apart when the provider is sick or has other obligations.¹³¹

Most new and expectant parents receive little help from their employers with child care arrangements. Twenty percent of working parents with young children have on-the-job access to a child care referral program. Employees with lower incomes and those who work for small companies are less likely to have access to this service.¹³²

- 36 percent of companies provide employees with access to information to a child care referral program.
- Large companies, companies in the financial, insurance, real estate, and service industries, and companies with higher proportions of executive positions filled by women and minorities are more likely to do so.

Source: Families and Work Institute 1998 BWLS survey of companies with 100 or more employees.

On-site child care. When people think about employer assistance with child care, they tend to picture a child care center at or near the worksite. In fact, relatively few employees want child care at work, and relatively few employers want to provide it. Workers at small companies are less likely to have access to on-site child care. Where it is feasible and desired, child care at the workplace is highly appreciated. It can alleviate worry about children's well-being and result in greater satisfaction with the quality of care children are receiving. Today, 12 percent of employees with children under the age of six report that they have access to a child care center operated or sponsored by their employers at or near their workplaces.¹³³

- 9 percent of companies report that they provide child care at or near the worksite.
- Among those companies that do provide worksite child care, 41 percent have more

than one site. However, the proportion of sites with child care centers declines as the number of company locations increases. Companies with 15 or more sites, for example, have centers at only 4 percent of their sites, on average.

- 12 percent of companies report that they are considering providing worksite child care in the future.
- 5 percent of companies provide employees with child care vouchers or other subsidies.

Source: Families and Work Institute 1998 BWLS survey of companies with 100 or more employees.

Financial assistance for child care. In contrast with many other industrialized countries, our nation begins investing public funds in education only when children reach elementary school at age five or six. Parents pay 75 cents out of every dollar spent on child care in the United States. (As things now stand, business pays only a penny.) As a result, most working parents with young children have to dig deep into their pockets to pay for child care. They typically spend about 10 percent of their family income on child care. Low-income families often pay a much greater share of their family income for child care than those with greater means. Families earning less than \$15,000 per year—who pay for child care services—pay 23 percent while families earning \$50,000 or more pay 6 percent.¹³⁴

According to the 1997 NSCW, 12 percent of working parents with young children receive direct financial assistance with child care fees from their employers in the form of vouchers, cash, or scholarships. Part-time employees and those who work for smaller employers are the least likely to get financial aid. Thirty percent have access to Dependent Care Assistance Plans (DCAPs): Employees deposit part of their pretax wages into an account that can be used to pay for child care.

WISCONSIN BUSINESSES BAND TOGETHER TO PROVIDE CHILD CARE

Many companies want to meet employees' child care needs but have too few employees to justify an on-site or near-site child care center or have limited financial resources. The solution is collaboration.

Case in point: Wisconsin's New Berlin Industrial Park is home to 450 companies, some with as few as two employees; others with up to 500. About 10 years ago, when several companies in the Park started losing employees due to a lack of suitable child care, their chief executives realized that it was time to take action. But they realized that none of them could solve the problem alone. In 1988 the Industrial Park formed a Child Care Task Force and surveyed a quarter of the resident companies. The findings were dramatic: More than five hundred young children of employees needed care.

A consortium of more than 80 companies responded, donating time, talent, money, and materials to establish the New Berlin Child Care Center. Northwest Mutual charged \$1 for 10 acres of land valued at \$150,000. A local architect designed the facility for \$10,000, a fraction of his usual fee. A group of six banks financed an \$800,000 loan. Smaller businesses also made significant contributions: A wire and cable manufacturer with 56 employees gave \$15,000 in cash and nearly \$6,000 more in wiring used in the center's construction; a company with a workforce of only 25 people donated \$4,000 in concrete; a small counseling center contributed \$1,000. In addition, community residents made individual contributions.

The foremost challenge, according to Nancy Mullikin, Executive Administrator of the Center, was the lack of an existing model for guidance. New, innovative strategies had to be created, particularly in regard to financing. Today, the Center is valued at \$1.5 million. Organized as a nonprofit, the Center operates 12 hours a day, 5 days per week. It has a current enrollment of 210 and offers programs for children ages six weeks to 11 years (including a full-day kindergarten). The Center may be used by anyone employed by one of the Park's businesses. Parents pay from \$125 to \$160 per week; some firms subsidize some or all of those costs. When space is available, the Center is open to the public as well.

Quality programming is a major concern of the sponsors. They have contracted with Bright Horizons Family Solutions, a national management company specializing in employer-supported child care centers, to provide

Those who work for large companies are much more likely to have this benefit: 47 percent of those who work for large companies have access to DCAPs compared with 13 percent of those who work for companies with fewer than 50 employees.¹³⁵

Emergency backup. Child care is a realm where even the best-laid plans usually do go astray. One-third of working parents with children under the age of six surveyed in the 1997 NSCW said that they had needed to make special child care arrangements at least once during the previous three months because their usual arrangements

were not available. The results can be devastating for parents and employers alike. Indeed, the great majority of employers are affected by unstable child care arrangements: In a survey conducted by the National Conference of State Legislatures, 80 percent of employers reported that child care problems force employees to lose work time. Employed mothers with children under the age of six miss an average of 8.5 days per year because of family-related issues such as sick children. Employed fathers with children under the age of six miss an average of 5 days.¹³⁶

and oversee a developmentally appropriate curriculum for the Center. The Center has been accredited by the National Association for the Education of Young Children (NAEYC).

Results: New Berlin's original goals for quality and service have been met, and enrollment expectations have been exceeded. Overall, there has been increased employee retention among the companies at the Industrial Park.

Advice: Due to the tremendous need for child care, it is imperative that companies, especially small businesses, problem-solve by creating new and innovative strategies to meet their employees' needs. Mullikin believes that a "team approach" works exceptionally well.

Next Steps: The Center is in the process of expanding to accommodate 50 more children. There is already a waiting list, and the Center anticipates increased demand for child care due to welfare-to-work legislation.

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Parents and children's schedules often do not mesh. Child care programs and schools are closed on many days when parents need to work. Moreover, parents may need to work late or to travel.

- 3 percent of companies reimburse employees' child care costs when they work late, and 6 percent reimburse employees' child care costs when they travel for business.
- 6 percent of companies provide child care for school-age children on vacations.

Source: Families and Work Institute, 1998 BWLS survey of companies with 100 or more employees.

Care for sick children. While the Family Medical Leave Act requires companies to give parents time off to care for very sick children, employers have discretion about giving employees time when their children come down with less serious illnesses—the colds, flus, and upset stomachs that keep children out of school for a few days.

According to the 1997 NSCW, about half (49 percent) of working parents with small children say that they can take a few days off to care for a sick child without losing pay, without using vacation days, and without having to invent a reason

BETTER LIVING WITH JUST IN TIME CHILD CARE®

Frigid temperatures, high drifts...another snow day. During the cold, stormy winter of 1993-94, schools and child care centers often told parents to keep their children home. At Delaware-based DuPont, absenteeism soared; it was nearly 20 percent higher than the previous winter. Some parents managed to report for work—but with children in tow. The distraction level was high. At a meeting of the region's corporate human-resource managers, the need for backup care came up repeatedly.

DuPont responded by providing the start-up funds for a pilot program called Just in Time Care, which links working people to a wide range of emergency/backup care options when their regular child care or elder care fails them and also helps them pay for the backup care. With an outlay of \$80,000, DuPont engaged Family & Workplace Connection (FWC), a private work-family vendor, to fund the design and implementation of this service for DuPont's own employees, as well as for employees of DuPont Merck and other businesses in the region.

Launched in 1995, Just in Time Care offers a range of backup care options: in-home care, drop-in care at family child care homes or child care centers, elder care centers, and worksite school holiday/vacation and snowy day programs. Employees can also select their own providers so long as they meet the program's requirements. Providers must be licensed or legally operating, must register with Just in Time Care, cannot be a child's regular provider of care unless they are being used for back-up hours, and must be willing to bill Just in Time Care for the subsidized portion of the cost of care. Recognizing that many parents also have responsibility for aging relatives, the program makes backup care available at adult day care centers as well.

Just in Time Care services can be used whenever regular arrangements are unavailable or fall through at the last minute or when a child/dependent is mildly ill. Once enrolled in the program, employees simply call a toll-free hot line (available 365 days a year from 5 a.m. to 10 p.m.) to arrange for backup care.

Building the business case for backup/emergency care was integral step in getting approval from DuPont businesses. Showing the potential impact on the bottom line, not only in employee days saved but also in the areas of safety (fewer distractions) and customer retention, is critical. One of the features that has made "Just in Time Care" successful is the willingness of the businesses to subsidize the cost of care. Employees still have to cover the cost of their regular care as well as the cost of backup/emergency care.

for the absence. But only 36 percent of lower-income parents and 37 percent of single parents can take time off to care for sick children without losing pay.¹³⁷

- The average number of days per year that employers allow for children's illnesses is 11. Twenty-five percent of employers say that the number of days they allow depends on the situation; 9 percent say they give parents as many days as they need.

- 5 percent of companies provide child care for the mildly ill children of employees.

Source: Families and Work Institute, 1998 BWLS survey of companies with 100 or more employees.

Child care during nontraditional work hours. Finding child care is especially difficult for employees who work evening or weekend hours or for those who have rotating shifts. More and more

History: Launched in 1995.

Cost: There are initial costs involved to get the system set up. Ongoing costs fluctuate depending on the cost of care in the region of the country as well as operating costs for the business.

Results: DuPont estimates a return of \$4.50 return for every \$1 invested in Just in Time Care. FWC estimates that during its first six months of operation, the program saved DuPont 839 employee days. Dupont's senior management now believes that the service not only protects customer service, but also reduces working parents' stress and cultivates employee commitment.

Next Steps: DuPont hopes to offer this program at company sites located in other states. The Family and Workplace Connection is currently replicating Just in Time Care for various companies in cities across the country. Cities include Raleigh-Durham, North Carolina; Billerica, Massachusetts; Kansas City, Missouri; and Denver, Colorado.

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U.S. workers find themselves working nonstandard hours as the trend toward a global, service-based economy intensifies. More and more businesses need to keep their doors and their phone lines open during early mornings, evenings, nights, and weekends.

More than 14 million employees—nearly 20 percent of the full-time workforce—worked nontraditional hours in 1991. A significant percentage

of them are women and mothers. Thirty-two percent of employed parents with children under the age of six work nondaytime shifts, according to the 1997 NSCW.¹³⁸ In 1991, five million of the full-time workers with nonstandard hours (more than a third) were women. The prevalence of shift work is increasing most rapidly in the service sector, which encompasses many jobs traditionally held by women. The number of jobs that demand shift work is expected to rise in coming years.

CARING FOR SICK CHILDREN AT REX HEALTHCARE

The meeting is set for 9:00 a.m. sharp. The customer seems ready to commit. Months of work hang in the balance. And the baby is running a fever....

Balancing families and work is often stressful but rarely more so than when a child is ill. Of course, parents with chronically or acutely sick children face the greatest difficulties. But even a 24-hour virus can wreak havoc on a harried parent.

Many companies recognize the wisdom of providing care for employees' children when they are sick and cannot attend their usual child care programs or schools. But few are as well-positioned to meet this challenge as health care providers. Rex Healthcare, a private, nonprofit health services system in North Carolina, has made an on-site sick child care program available to its workforce of more than 3,000. Known as the Wishing Well program, it offers a child care alternative for mildly ill or injured children between the ages of eight weeks and 12 years.

Parents are encouraged to preregister their children before sick care is needed. Once a child is registered, the parent can use the service whenever necessary. When the parent calls, a preadmission screening is conducted over the phone, consisting of basic questions about symptoms, special needs, and diet. Once the child is brought in, a nurse conducts a more extensive five- to 10-minute evaluation to determine whether the child may be admitted. Medical problems considered appropriate for admission include colds or mild flu symptoms, controllable fever below 102 degrees, mild diarrhea or vomiting, recuperation from chicken pox or vaccine-preventable diseases (i.e. measles, mumps, etc.) when the child is no longer contagious, recuperation from surgery or injury, and asthma or allergies that are controlled by medication. If the child's condition worsens, the parent is notified so that more appropriate treatment can be sought.

Open Monday through Friday from 6:00 a.m. to 3:30 p.m., the Wishing Well program is available on a first-come, first-served basis to children of employees scheduled to be on duty or to attend an approved event/educational conference. Employees can use the service for an unlimited number of days yearly; however, if a child's illness lasts more than three days, he must be seen by his pediatrician. The program staff consists of a pediatric registered nurse, a nursing assistant, and specially trained volunteers. Parents pay through a payroll deduction: \$6 for up to four hours of care; \$12 for all-day care. Rex Healthcare subsidizes 74 percent of the operating costs.

According to the Department of Labor, the occupations expected to have the greatest growth between 1992 and 2005 include homemakers and home health aides (136 percent increase), guards (51 percent), and nurse's aides (44 percent). Other high-growth occupations include food and beverage service workers, truck drivers, retail sales workers, and janitors/cleaners. These are precisely the occupations that have the greatest numbers of employees working nontraditional schedules.¹³⁹

Most child care providers offer day care during the traditional working hours of nine to five. A recent General Accounting Office (GAO) survey of child care providers found that only a minority (from 12 to 35 percent) offer care during nontraditional hours; most of these providers work out of their homes and have room for relatively few children.¹⁴⁰

Weekend work is also problematic. Data from the National Child Care Survey show that one-third of working poor mothers (incomes below

History: A longstanding service of Rex Healthcare, the Wishing Well program was closed in 1994 due to budget cuts. Employees had a strong negative response. The program was reestablished in March of 1995 by Jim Albright, the company's new president and CEO, who thought it was logical for a health facility to offer on-site sick child care for its employees.

Results: In 1996 the program served 446 children, and in 1997, 371 children were served. Since the implementation of the Wishing Well program, Rex Healthcare has documented lower employee absenteeism and a higher level of overall employee satisfaction. For workers who do not directly benefit, the program means less pressure to take on additional responsibilities in order to cover for absent coworkers.

Advice: Albright urges health care providers to implement a sick child care program for their employees, since they already have the necessary personnel, facilities, and equipment. For businesses in other industries, the investment will be greater, but according to Albright, "The benefits are immeasurable." He recommends hiring a staff member with comprehensive knowledge of infection control to ensure that proper procedures are followed.

Next Steps: Adoption grants of \$5,000 will soon be available to eligible employees.

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poverty) and more than one-fourth of working-class mothers (annual incomes above poverty but below \$25,000) work weekends. Yet only 10 percent of centers and 6 percent of family day care homes report providing care on weekends.¹⁴¹

Many people assume that mothers prefer non-traditional hours, but this is not the case. Among working mothers with children under the age of 15, only 14 percent of those working full-time

and 23 percent of those working part-time actually chose their schedules to make child care easier.¹⁴²

It is not surprising that companies are more likely to provide low- or no-cost child care programs (such as DCAPs) than programs that are more costly. The number of companies considering new options, such as resource and referral (12 percent) and on- or near-site child care (12 percent), indicates that there could be a growth in employer-supported child care in the coming years.

PALCARE, INC.: FLEXIBLE CARE FOR PARENTS WITH NONTRADITIONAL WORK SCHEDULES

It is close to midnight, and most residents of the San Francisco Bay Area are asleep. But at the airport, hundreds of passengers have just left on the red-eye to New York. Pilots and flight attendants are hard at work. Employees staff ticket counters, move baggage, and control air traffic. Across town, at a local hospital, nurses prepare the morning meds and administrators handle new admits in the emergency room.

Where are their young children?

Today's global economy is a round-the-clock enterprise. Many jobs, especially those in the fast-growing service sector, require parents to work outside of traditional nine-to-five business hours. And many workers have rotating shifts. But most child care providers close their doors at 6 p.m. And most employers are unable, on their own, to provide 24-hour care.

But by working together, employers, unions, and employee organizations in the San Francisco Bay Area have come up with an innovative solution. The Airport Labor Coalition, United Airlines, local and county governments, and several nonprofit organizations worked collaboratively for a decade to create Palcare, Inc., a child care center located in Burlingame, California that operates seven days a week, 18 to 20 hours a day. Parents who work rotating schedules are also accommodated. "Offering flexible child care hours has brought great relief to many families," states Nirmala Dillman, Executive Director of Palcare, Inc. "Parents no longer have to jeopardize their jobs by leaving work early or calling in sick because they do not have adequate child care."

Palcare provides care and educational programs for preschoolers beginning at the age of three months. Half of the slots are reserved for employees working at local airports. The remaining openings are available to parents who work at a local hospital and other round-the-clock enterprises.

"Nearly 40 percent of the job opportunities for low-skilled and inexperienced workers within the Bay Area involve working hours other than the traditional nine-to-five schedule," says Dillman. "Many parents were patching together arrangements that kept breaking down. Something needed to be done."

United Airlines donated the initial funds needed to incorporate the nonprofit organization and hire staff. The San Francisco Airport Commission made a commitment for renovation costs and a yearly fee to reserve child care spaces for airport families. San Mateo County agreed to purchase a building to house the center. Other corporations and foundations helped.

Finding a neighborhood that was willing to accept a night-and-day center was the biggest obstacle the group had to overcome. Palcare eventually found an excellent space in a semi-industrial area.

Financing the project was another challenge. The original planners assumed that once the facility was fully operational, it would pay for itself. "They did not consider that almost 25 percent of operating costs for all high-quality child care centers are covered in some other way than from tuition," Dillman explains. Moreover, flexible care is more expensive than care during traditional hours. The board of directors realized that additional funds would have to be raised through corporate sponsorship and annual fundraising.

Results: "Parents love it! Our center makes balancing their work and family responsibilities much easier," says Dillman.

Advice: "Collaboration is great idea! Though it takes tremendous effort, it's worth the work," says Dillman. By collaborating, groups facing the same challenges can pool their resources to offer a critical service that individual employers might not be able to afford.

Next Steps: Palcare, Inc. hopes to secure enough funding to allow a sliding-fee policy and more scholarships.

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LEARNING CURVES

New Insights Into Families And Work

Today, leaders in every sector of the American economy are making a crucial conceptual shift: They are recognizing the importance of aligning their organizations' business strategies with their people strategies. In the process, they are beginning to take an ecological view of their workplaces and workforces, looking more closely at how the various contexts and circumstances in which employees function day-to-day affect their motivation, productivity, and loyalty.

Take-Home Lessons from America's Leading Employers

Many lessons can be distilled from the volumes of data and dozens of case studies that went into *Ahead of the Curve*:

Work-life initiatives can be integral components of corporate efforts to improve profitability and customer service. High-quality jobs help companies attract qualified workers, improve retention rates, and boost morale. In today's business world, where customer service is crucial to profitability, a better-qualified, more stable workforce gives a company a competitive edge. When companies lose valued workers, they forfeit the incalculable benefit of the relationships those employees have developed over time. Well-planned work-life initiatives can reduce this loss. In particular, our case studies document employers' success in cutting turnover rates among new mothers.

Efforts to address the needs of employed parents must also address the needs of other employees. Research has shown that there can be a dual pay-off. For example, when provided with flexibility, all employees (not just parents) tend to miss less work.

Programs and policies to address the needs of employed parents are necessary but not sufficient. Some programs and policies are low-cost or no-cost. This is particularly true of initiatives designed to give working parents more flexibility, such as flextime, flexplace, and job sharing; lactation rooms; resource and referral services; Intranet sites designed for parents; and lunchtime parenting seminars. When programs do require substantial investments, they can offer important returns on those investments. For example, investments in preventive health involve up-front costs but can pay off substantially over the long term. Many companies have succeeded in cutting their health and health insurance costs by investing in preventive care, including preconception counseling, voluntary family planning, smoking cessation, treatment for substance abuse, prenatal care, well-baby care, and mental health care. A significant portion of these savings comes from reducing the number of low birth-weight babies born to employees.

Companies have learned, however, that for programs and policies to be effective, employees must know about them. Thus, an ongoing communications strategy is necessary. In addition, the use of these programs and policies must be supported by top and middle management, so obtaining their buy-in and support is also necessary.

Programs and policies are more effective when they are part of a coherent web of services. When services are fragmented, inaccessible, or unfriendly, they cannot protect corporate profitability or ensure the well-being of tomorrow's workforce. Offering a long list of benefits to working parents is insufficient. Companies need to ensure that services and benefits are well-coordinated, that they are linked with services available from other sources—both public and private—and that no family falls through the cracks.

As they plan work-life initiatives, companies must take into account not only their own policies and practices, but also the availability and quality of resources in employees' communities. To meet the needs of parents with young children, companies have to look inward, scrutinizing their own employment policies and practices. But at the same time, they must realize that the effectiveness of their work-life programs may hinge on the availability and quality of services and resources available to employees in their communities. Many employers are therefore investing in community organizations or agencies (existing or new) rather than creating an alternative in-house service. In some cases, they are creating services (such as on-site child care) for employees but also making some space available to other families in the locality. In this way, they are contributing to brighter futures for children in the community who could become their future employees.

Management and workplace culture are key to meeting the needs of new and expectant parents. When employees perceive that their direct supervisors grasp the realities of their lives as are providing a supportive workplace, commitment, loyalty, and job satisfaction all increase. This is a particularly important challenge for larger companies. As things stand, employed parents who work

for smaller, local organizations are more likely to have supportive supervisors and supportive workplace cultures.

Efforts to train managers in problem-solving to address the needs of both the employee and employer have been found to increase supervisor and workplace support. Including people-management skills as a part of performance appraisals can also increase workplace support.

The quality of the job as well as the supportiveness of the workplace must be seen as integral to work-life assistance. Research has shown that when employees have autonomy in their jobs, when they have opportunities to learn on the job, and when they feel their work is meaningful, they are more committed, more satisfied, more loyal, and more likely to want to remain on the job. The characteristics of jobs and workplaces also have important repercussions in the personal lives of parents. Employees with more demanding jobs and less supportive workplaces experience more stress, poorer coping, worse moods, and less energy off the job, which jeopardizes their personal and family well-being. In turn, when employed parents' personal and family well-being is compromised by work, they experience more negative spillover from home to work, which diminishes job performance. Thus, companies that provide better-quality jobs and more supportive workplaces can not only enhance productivity, but can also affect family health and well-being.

There are a number of ways that companies can improve the quality of jobs. Companies have elicited feedback from employees about how to improve their effectiveness at work in ways that also positively affect their personal and family lives. They have then fed this information to a "brain trust" or steering committee that designs workplace improvements. Coupling these initiatives with an assessment process (either surveys or focus groups) can help to determine whether change has been implemented and whether life on the job and at home is improved.

Diversity at the top is a predictor of innovation and effectiveness in the work-family arena. Companies with higher proportions of women and minorities in executive positions are more likely to meet the needs of new and expectant parents.

Unequal Opportunity

Benefits that are distributed inequitably or perceived to be unfair cannot advance employers' goals. Too often, work-family initiatives are inaccessible to the employees who may need them most. A major finding of the Family and Work Institute's research is that the working parents who have the greatest need for services and flexibility are often the least likely to receive them. While family-friendly policies and practices have grown dramatically over the past two decades, they tend to serve more advantaged workers.

First, workers with higher wages are more likely than their lower-wage counterparts to have access to a wide range of benefits. These include family health insurance from their employers, family health insurance that is fully or partly paid by their employers, health insurance for their children from any source, paid vacations, paid holidays, paid time off to care for sick children, traditional flextime, daily flextime, DCAPs, job autonomy, and job security. Married workers or workers living with a partner are more likely than their single, divorced, or separated counterparts to have greater access to fully or partly paid health insurance for their children from their employers, health insurance for their children from any source, paid holidays, paid time off to care for sick children, paternity leave, DCAPs, and employment security.¹⁴³

Second, fathers have more access than employed mothers to most forms of work-family assistance. This is true despite the fact that employed mothers are known to have greater responsibility for managing work and addressing family concerns. Employed fathers with young children are more likely than employed mothers with young children to have access to family health insurance from their employers, family health insurance that is fully paid by their employers,

family health insurance that is fully or partly paid by their employers, health insurance for their children from any source, paid vacations, paid holidays, traditional flextime, daily flextime, job autonomy, and employment security.¹⁴⁴

Third, employed parents who work for larger employers have greater access to work-family programs and policies that require expenditures by employers. Employed parents who work for large organizations nationwide are more likely than employed parents at smaller organizations to have access to family health insurance from their employers, health insurance for their children from any source, paid vacations, paid holidays, child care resource and referral, on- or near-site child care, financial assistance for child care, and DCAPs. There are no differences, however, in access to time and leave flexibility.¹⁴⁵

Major Challenges

To be sure, there has been progress in recent years in the realm of families and work. More companies are waking up to the competitive advantages that can be gained by family-friendly policies. But a great deal remains to be done, especially in relation to new and expectant parents. Four challenges are especially urgent.¹⁴⁶

First, make corporate culture more responsive to working parents. Between one-fourth and one-third of employed parents with young children report that the cultures of their workplace is not supportive to them as family members.

Second, expand family health insurance coverage. Only 16 percent of employed parents with young children have family health insurance that is fully paid by their employers. Forty-two percent of employed parents with young children from low-income households do not have access to family health insurance that is fully or partly paid by their employers. A significant portion of employees with young children—12 percent of those from low-income households and 11 percent of single parents—do not have health insurance for their children from any source.

GLOBAL WORKFORCE STRATEGY AT IBM

In 1995, IBM launched eight Executive Workforce Diversity Task Forces in the U.S. to review its internal diversity posture. The Task Forces (Asian, Black, Gay & Lesbian, Hispanic, Native American Indian, Women and White Male) were led by senior executives representing the particular constituency and included executive participants from across IBM's various business units. Said Ted Childs, VP Global Workforce Diversity, "IBM has a long history of commitment to workforce diversity and we are extremely proud of our heritage. However, as our company was going through major cultural changes, we were looking for 'breakthrough' results as we launched the task forces."

Each task force was asked to look at the IBM company through the lens of their constituency and to tell IBM: What can we do to make your constituency feel more welcomed and valued; what can you and IBM do to enhance your productivity; and what can we do to increase our marketplace opportunity. As Ted Childs commented, "We have moved from the moral imperative to the strategic imperative and wanted to position ourselves to win in the marketplace."

Also in 1995, IBM identified Global Diversity Challenges which represented cross-cultural diversity issues. Each geographic region was responsible for implementing strategies to address the following six challenges: The Global Marketplace, Cultural Awareness/ Acceptance, Multi-Lingualism, Diversity of our Management Team, Workload-Workplace Flexibility/Balance, and The Advancement of Women.

In June of 1997, IBM brought together 81 women leaders from 17 countries for a three-day planning session to begin the global discussion about perceived barriers to the advancement of women in IBM. The women identified the barriers and then assisted their general managers with the development of specific strategies to address the challenges/issues. Maria Ferris, HR Consultant, Global Workforce Diversity noted, "This was the first time we had held such a conference and we were expecting cultural differences to surface —however, the top three perceived barriers identified (male dominated culture, lack of networking and mentoring opportunities, and difficulty in balancing work and personal life) were the same no matter what country you were in."

In June 1998, IBM held a follow up two-day Global Women Leaders' Conference, attended by 135 women leaders from 29 countries. The 1998 Conference was intended to review the status of the strategies, provide an update on the women-owned business market segment and sustain the global focus and momentum on the advancement of women. The results reflect a strong commitment. Some examples:

- Women's councils have been established in each of the four geographic regions, and 5 country councils were formed in Asia Pacific;
- Europe implemented a 'cascade' mentoring program which began by assigning 27 women leaders with a mentor. The 27 women leaders mentored 3 high potential women, resulting in a cascade effect of over 80 women being mentored;

- Regional conferences were held in the Asia Pacific region and Latin America to provide opportunities for women to network and assist in developing strategies;
- Work-life employee surveys were conducted in Europe and Latin America for the first time (note: IBM has conducted work-life issue surveys in the United States since 1986);
- A Women in Technology Steering Committee was established and Canada held a Women in Technology Conference for high school girls aimed at getting them interested in technology careers;
- A Global Women leaders website was developed;
- The IBM's Women's Marketplace strategy was expanded to 15 targeted countries;
- The number of women executives world-wide increased by 83% from year end 1995 to year end 1997.

"Our Diversity Initiatives represent a journey that began with the founding of IBM in 1914. Our eight Diversity Task Forces validate that the journey continues today. While we are pleased with our accomplishments, we know that we are not able to declare victory. There is much yet to be done. We believe that our Task Forces and our Global Women's Initiatives help us to sustain the proper focus. The link between the workplace and the marketplace demands such executive attention. Our goal is to have IBM be the premier workplace for women worldwide." says Childs.

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Third, ensure that parents have adequate time for parenting. Among parents with young children, women, low-wage workers, and single parents have the fewest days off with pay. The great majority of low-wage and single employees with young children have no access to traditional flex-time and no paid time off to care for sick children. Only 35 percent of parents with lower family incomes and 37 percent of single parents can take time off to care for sick children without losing pay. Most find it difficult to take time off during the day to deal with family issues. Only 13 percent of workers from lower-income families can change their start and finish times daily.¹⁴⁷

Fourth, support efforts to ensure that all working parents have access to affordable, high-quality child care. All parents with young children need access to high quality care, yet four in five children are in mediocre or inadequate child care arrangements. The private sector can do much more to ensure that children are well cared for and have opportunities to learn.

All of the trajectories described in this report point to one conclusion: To a greater extent than ever before, marketplace leadership requires leadership in the work-family arena. As Walter Bennis has written, “Managers do things right; leaders do the right things.”¹⁴⁸ Today’s leaders are recognizing that the “right things” are policies and practices that protect and enhance a company’s human resources. In the coming century, the organization that responds to the realities of employees’ day-to-day lives will be ahead of the curve. The “as if” organization—the company that continues to operate as if its employees had no outside lives—will be history.

ENDNOTES

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2. Unpublished data from the 1997 National Study of the Changing Workforce (NSCW).
3. Shore, R. 1997. *Rethinking the brain: New insights into early development*. New York, NY: Families and Work Institute. This graph is abstracted from data provided by H.T. Chugani which are presented and illustrated in Chapter 3.
4. The National Study of the Changing Workforce (NSCW) is a research program of the Families and Work Institute that surveys representative samples of the nation's labor force every five years. The most recent study focuses on findings from the 1997 survey but also provides a historical perspective by comparing data from 1997 with data from the 1992 NSCW and from the U.S. Department of Labor's 1977 Quality of Employment Survey. Only data for wage and salaried workers who are 18 years or older were considered. The 1997 sample included 1,308 employed parents with children under the age of 18, of whom 534 had children under age 6. In 1997, telephone interviews were conducted with a randomly selected national sample of 3,552 employed men and women 18 and older. The response rate was 52 percent. The special analyses reported here focus on the 536 wage-earning and salaried employees who have children under the age of six. The final sample has been weighted by key demographics to conform with entire U.S. labor force based on data from the March 1996 Current Population Survey (CPS). General findings are reported in Bond, J.T., Galinsky, E. & Swanberg, J. 1998. *The 1997 national study of the changing workforce*, No. 2. New York, NY: Families and Work Institute. The 1998 Business Work-Life Study (BWLS) is a program of the Families and Work Institute that periodically surveys U.S. corporations. The 1998 BWLS surveyed a representative national sample of private-sector for-profit and non-profit companies with 100 or more employees located in the United States. Human resource directors (or their equivalents) were interviewed about the benefits, programs, policies, and practices of their companies. The response rate was 45 percent. The approach ensured that the number of larger companies in the sample would be sufficient to support reliable generalizations about companies of all sizes. When analyzing data to make generalizations about the universe of companies with 100 or more employees, the sample is weighted to reflect the distribution of companies of different sizes in the U.S. Findings are reported in Galinsky, E. & Bond, J.T. 1998. *The 1998 Business work-life study: A sourcebook*. New York, NY: Families and Work Institute.

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