A woman with brown hair in a ponytail, wearing a red and white striped shirt, is leaning over a wooden table. She is looking at a laptop screen. To her left, a young girl with blonde hair is sitting and looking at a tablet. To her right, a young boy with blonde hair is sitting and looking at a tablet. They are all in a room with large windows in the background, letting in bright light. A large blue and white graphic shape is overlaid on the left side of the image.

For working parents to
stop firing their employers,
companies must realize that
flexibility isn't enough



Custom content for Outschool by studioID

Working parents have always had unique challenges as compared to their nonparent colleagues in the workplace. The pandemic has only amplified those existing challenges and spotlighted the extra pressure working parents and caregivers are under. According to the American Psychological Association, parents have experienced significantly higher levels of stress than nonparents during the COVID-19 pandemic. The disruption of their children's schooling has been a major contributor to the anxiety, especially for parents of children ages 8 to 12. Providing a good education for their children, along with other challenges for working parents, will persist even after the COVID pandemic has diminished.

Flexible scheduling and remote work options have been the typical solutions employers offer working parents to alleviate these stresses. But while employers may view flexibility alone as an adequate cure, there's evidence that working parents disagree – and they are demanding a much broader range of support.

As Chief Human Resources Officer at Gainwell Technologies, Natalie Stute oversees the management of employee benefits for the Tyson, Virginia-based company, which provides Medicare, Medicaid and public health technology services to each state. As the mother of four boys, Stute knows firsthand the challenges facing today's working parents and easily ticks off several: "caring for your children, being a teacher because they were going to class at home on Zoom, making sure there are groceries in the refrigerator, cleaning your house, doing laundry, making sure home repairs are done."

Parents have experienced significantly higher levels of stress than nonparents during the COVID-19 pandemic.

Working mothers have typically borne the heaviest responsibility for juggling work, caregiving, and supervising their children's learning at home, and the additional strain has pushed millions out of the workforce. Interestingly, mothers who have a bachelor's degree or higher and working in jobs compatible with remote work have been the most likely to leave their jobs voluntarily. An October 2021 research report from the U.S. Census Bureau and the Federal Reserve Bank of Minneapolis shows that this group was 0.8% more likely than average to opt out of the workforce at the end of the 2020-21 virtual school year. The study's authors suggest a reason for the difference: "Highly educated moms have more 'choice' over labor supply decisions because their households have, on average, more resources. These mothers disproportionately took leave to balance the stress of additional childcare responsibilities during work hours."

Last fall, one in four women said they were considering downshifting their careers or leaving the workforce because of the pandemic's impact, during a time when mothers were three times as likely as fathers to be responsible for the majority of housework and childcare, according to the Women in the Workplace 2020 report from Lean In and McKinsey & Company.

Of course, not all of the exits from the workforce have been voluntary. In fact, in December 2020, women accounted for 100% of all U.S. job losses, according to an analysis from the National Women's Law Center. While these women did not choose to leave their jobs, many may be rethinking whether to immediately return to a job market in which few employers are providing the parental support they need.



1 in 4 women said they were considering downshifting their careers or leaving the workforce because of the pandemic's impact.

The Parental Support Disconnect: Differing Views of Employers vs. Employees

In the face of those spiking stress levels and attrition rates, you might expect to see employers shift into rapid response mode to step up their support for working parents. Yet two recent Outschool/HR Dive surveys– one of HR, benefits managers and executives at employer organizations, the other of working parents –indicate that providing this support still doesn't rank as a top priority among employers. The survey results also suggest a disconnect between how working parents and their employers perceive the level of workplace support being provided.

203

Participants in Working
Parents Survey

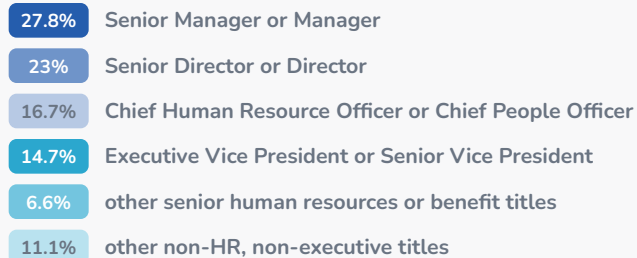
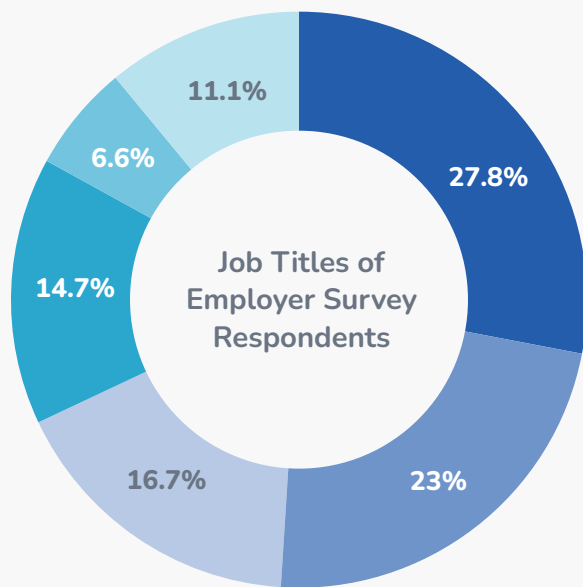
104 mothers, 99 fathers

647

Participants in
Employer Survey

**Outschool is an
education platform
providing more
than 140,000 live
online classes
to more than
1,000,000 learners
in 183 countries
worldwide.**





Support for working parents ranks fairly low on the list of HR priorities, with nearly 6 in 10 respondents in the employer survey designating it as either a medium, low or insignificant priority. It's not that employers and their HR managers haven't noticed the large numbers of stressed-out parents who are walking out. In fact, nearly half of the respondents in that survey said their organization has experienced increased attrition and/or turnover of working parents within the last 12-18 months. Yet fewer than 1 in 10 said supporting working parents was a critical HR priority, and less than a third-ranked it as a high priority.

Now here's where the disconnect shows up: 68% of the HR leaders we surveyed said the working parents at their organizations would give a grade of B or higher to their employers' parental benefits. Yet nearly the same percentage (64%) of parents we surveyed said their companies could be doing more to support them as a parent or caregiver.

Employers and HR leaders will risk losing some of their best talent if they fail to recognize how urgently their working parents need help.

Working Parent Demands: Help with Caring for and Educating Their Children

Past surveys of working parents provide insight into the kinds of employer support they need most. Access to affordable childcare is high on the list, especially for women and lower-income workers. In a McKinsey survey taken in March and April of 2021, only 43% of women and 39% of employees earning less than \$50,000 a year said they could afford childcare.

Paid parental leave for caregivers is another pressing need that is not uniformly offered to workers across sectors and income levels. The U.S. Bureau of Labor Statistics National Compensation Survey in March 2021 revealed that only 23% of civilian workers had access to paid family leave.

Working parents also want flexible working arrangements to be a continuing part of their company culture and policies. A FlexJobs survey conducted between March and April 2021 showed 61% of parents saying they want to work remotely full-time and 37% preferring a hybrid work arrangement. What's more, 62% of the respondents said they would quit their current job if they could not continue working remotely. Results of the Outschool employer survey are in line with this trend, with respondents reporting a 70% increase in the number of requests for ongoing remote work options.

Working parents need help with identifying – and in many cases paying for – educational resources for their kids. Every parent of school-age children wants them to have a good quality education, and many fear that pandemic-related disruptions have all but derailed their learning. An Education Trust survey found nearly 90% of parents worried that their children would fall behind academically because of school closures. It's an issue that presents a chance for HR leaders to go beyond offering working parents the flexibility to be at home with their school-age children. What working parents would especially welcome is their employers' investment in educational opportunities to boost their children's learning success.

None of these concerns will disappear when the pandemic passes. Working parents will always want employers who support them in the struggle to balance their job and childcare responsibilities. By addressing these concerns, HR leaders and employers can demonstrate that they care about their employees and their families, which in turn makes for more engaged and productive workers during office hours.



Only 23% of civilian workers had access to paid family leave.

The Employer Response:

Little Movement in Initiatives or Spending Levels

The Outschool employer survey posed several questions to gauge how organizations are addressing the needs and wants of working parents – both during the pandemic and beyond. We looked at their current spending, their spend affinity and their plans to increase benefits in this area.

About 60% said their organization's spending to support working parents had either remained the same, decreased or continued to be nonexistent since the start of the pandemic. More than half of respondents indicated their organizations planned to increase benefits/perks for childcare and/or education support in the next 12 months. Yet when asked how their HR function has addressed or is thinking about addressing benefits in this category, 4 in 10 said they had no plans to address it. In addition, more than a third had no plans to consider specialized programs or benefits for childcare and/or child education. These findings suggest that the level of employer investment to support working parents is not quite matching the degree of urgency many working parents are expressing about their needs.

When we asked a question to gauge HR managers and employers' spend affinity in allocating money across a wide range of benefits and perks, their answers indicated a broad split. However, childcare/education stipends received the second highest ranking, behind mental health and well-being.

SURVEY QUESTION

Imagine you have \$10 to allocate across benefits or perks that go beyond medical insurance, 401K, and other core programs. Please indicate how many dollars you'd allocate towards each of the initiatives below, utilizing the \$10 completely.

Top 3 initiatives getting the entire \$10:



Mental health & well-being **6.2%**



Childcare/education stipends **5.7%**



Professional learning/continuing education **4.3%**



About 42% of respondents said their organizations currently offer robust parental leave policies, and 31% said they planned to start doing so within the next two years. The 2021 Lockton HR trends study reveals a similar focus on parental leave, showing a nearly 20% increase in the number of employers offering this benefit between 2018 and 2021, notes Stacie Englemann, Vice President, HR Consulting at Lockton Companies, who leads the annual study for the insurance brokerage and consultancy. The hard truth, however, is that many working parents' demands for employer support far exceed even the growing availability of parental leave benefits.

Englemann adds that the Lockton study has also found some increase in general caregiver support benefits, especially as employers react to the changing demographics of the workforce. "They say that by 2025, 70% of the workforce is going to be made up of millennials," she says. "They're not just thinking about starting their own family, but they're probably also taking care of ill and aging parents and the stress that comes with that."

Of course, flexible work arrangements have also increased dramatically since the start of the pandemic, and it ranks at the top of the Outschool employer survey respondents' spending priorities. Forty-nine percent said their organization had increased spending for flexible work since the pandemic began.

In addition to assessing employers' support for working parents, we also wanted to understand some of the challenges to implement these types of benefits.

SURVEY QUESTION

What do you consider to be the biggest challenge in launching a program focused on supporting working parents?

Top 3 responses:



Difficult to measure impact **35.6%**



Does not apply to enough (or all) of the workforce **28.1%**



Not a strategic priority compared to other initiatives **27.3%**

SURVEY QUESTION

From the choices listed below, please indicate to what extent each of the following present a challenge to the HR function when evaluating, implementing, or adopting new benefits or initiatives.

Top 3 major challenges:



Budgetary constraints or costs **28.5%**



Human capital resources within the HR function **22.2%**



Increased compliance or regulatory demands / uncertainty of the future workforce operating model **17.6%**

Increasing Parental Benefits: A Key Ingredient in Winning the Talent War

The pressures and demands on HR departments can indeed make it challenging to add new initiatives. But evidence from the Outschool surveys and other research shows benefits that support working parents lead to greater success in core HR functions like employee recruitment, retention and well-being. Values like work-life balance and gender equity are top priorities for the millennials who will soon comprise the lion's share of the workforce. This strengthens the imperative for companies to offer benefits that align with those values.

The Outschool/HR Dive survey of working parents found respondents placing a high value on benefits that support them when they are choosing an employer. Nearly 84% said one of their top priorities was whether an employer provides benefits that offer support beyond

health insurance. Nearly 80% said they would choose an employer that offered better work-life balance or a competitive caregiver benefit package over one offering a 5% higher salary.

Working parents also indicated employer support is a key factor in their retention, with about 78% saying a company's policies and benefits for parents and caregivers, beyond medical insurance, would be one of their top reasons for staying.

**Nearly 84% answered
that they prioritize
whether an employer
provides benefits that
offer support beyond
health insurance.**



SURVEY QUESTION

When I think about choosing an employer, benefits and policies that support me as a working parent beyond health insurance are one of my top priorities.



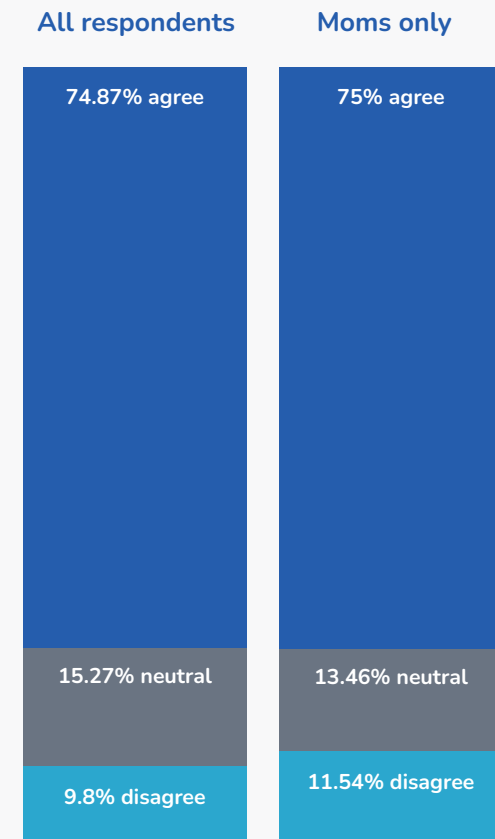
SURVEY QUESTION

When faced with an employment decision, I would choose a company that offers better work-life balance or a competitive benefit package for me as a caregiver over a 5% higher salary.



SURVEY QUESTION

Policies and benefits for parents and caregivers beyond medical insurance are one of the top reasons I would stay at a company.



Results like these add up perfectly in Stute's view. "If you're able to provide resources, tools, technologies and services – and employ programs that help to support the whole self of an employee – it all comes back in terms of retention, morale and people feeling more engaged," she says.

Parental benefits can also ease the stress of working parents and promote their overall health and well-being. What's more, research from Great Place to Work found that employers' efforts to reduce burnout made employees 20 times more likely to stay.

Focusing on parental benefits would be a major step toward accomplishing what employers and HR managers report as their most critical HR priorities: acquiring and retaining top-quality employees and enhancing their well-being. Notably, in our survey of working parents, 75% said benefits other than medical coverage would be their top reasons for staying in a job.

Additional research shows other ways parental benefits are good for business. In a survey of parents working for employers included on its 2020 Best Places for Working Parents list, Great Places to Work found that "companies that invest in employees and their families see 5.5 times more revenue growth, thanks to greater innovation, higher talent retention, and increased productivity." Even non-parents at the Best Places for Working Parents are more likely than those working elsewhere to have a positive view of their workplace (+6 for women/no children; +7 for men/no children), according to the Great Place to Work report.

Employers who support working parents at every stage of the parenting journey are more likely to attract both parents and nonparents who want to stay with the organization and build their careers there. Support for working parents should be an essential ingredient in every employer's overall employee benefits strategy, but far too many employers fail to acknowledge the impact it can have on recruitment and retention.

SURVEY QUESTION

From the choices listed below, please indicate how your HR function is prioritizing each of the following for the next 12-18 months.

Top 3 critical priorities:



Talent acquisition and recruiting rank highest for a critical priority **27.3%**



Retention **20.9%**



Employee well-being **18.2%**

Outschool: A Simple Solution to Support Workers in the Complex Job of Parenting

When parents feel confident that their children's educational needs are being met, that's one less distracting worry for them to bring into the workplace. Since its founding in 2015, Outschool's supplemental interest-based classes have been keeping kids engaged and excited about learning. With the arrival of the COVID-19 pandemic, thrusting more parents into the role of teacher, that market expanded.

At Gainwell Technologies, which is an Outschool client, Stute says parents and their children have been excited to use the program.

"The reaction and the experience that the students have had has been overwhelmingly positive. Being a mother of four, I really thought about how our working parents were being forced to become teachers overnight. This platform allows children to not only have fun while they're learning, but also develop new skills."

Natalie Stute
Chief Human Resources Officer at Gainwell Technologies





Support for Working Parents: An Investment with Big ROI Potential

Parental benefits like Outschool can serve as part of a comprehensive employer support program for working parents at a fraction of the cost it takes to hire someone new for a role. To meet the needs of today's working parents, these programs must go beyond merely accommodating the demand for flexible work arrangements. They must also help ease the stress on parents who feel increasingly concerned about their children's educational development and other needs.

When we asked employer organizations their most important criteria for evaluating benefits for working parents, 15% chose costs, making it the top response. Yet providing benefits to working parents doesn't have to mean a high-ticket investment. Furthermore, strategically focused employers and HR managers will also recognize the potential costs of failing to invest in this support. Consequences like increased turnover, more stressful and less productive employees can become much more expensive in the long run.

Support for working parents plays an essential role in improving the overall well-being of employees and achieving what HR leaders note as their other top priorities: recruitment and retention. Even nonparents, or parents of older children, may have a more favorable opinion of an employer that offers parental support benefits.

“They set the tone of like the kind of company that you’re getting involved in,” says Liz Kofman-Burns, co-founder of Peoplism, a consulting firm focusing on diversity, equity, inclusion and belonging. “I may have kids who are already in high school, but if I see a company’s list of benefits mentioning foosball and free lunch and gym memberships – but they don’t mention equitable paid parental leave or childcare support – it tells me this is not a mature company that knows how to support people in different parts of their life.”

Employers can’t afford the risk of talented workers firing them – or not choosing them in the first place – because they lack critical support for working parents. On the other hand, they have much to gain by improving their parental support.

“Any company that’s looking at this should realize that the benefits in terms of engagement and retention are definitely worth the investment in supporting working families as a group.”

Liz Kofman-Burns
Co-founder of Peoplism





Outschool is where kids love learning! Our innovative education platform offers engaging, small-group classes online. Outschool gives kids the unique opportunity to explore their interests in-depth with classes taught via live video by experienced, independent teachers. In addition to working directly with learners and families, Outschool partners with companies to offer a unique benefit and with schools to significantly expand their enrichment, tutoring, and elective offerings.

With Outschool for Employers, employees can focus on work and themselves knowing their kids are engaged and exploring their interests in-depth through interactive classes taught live via video by experienced teachers.

With Outschool for schools, district and school leaders can offer unique elective classes or just-right small-group tutoring sessions without having to find the budget to hire hundreds of additional teachers.”

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