

MODERN FAMILY INDEX 2015

What's on working parents' minds?

Working parents are a critical employee demographic. They make up a large percentage of the workforce; they often hold key positions; and as a result, they have the collective ability to substantially impact bottom lines. Yet a new survey says there is a surprising disconnect between managers and their workforces, and that behind closed doors many working mothers and fathers are quietly nursing costly dissatisfaction at work. Commissioned by **Bright Horizons**[®] and conducted by Kelton Global, this second annual Modern Family Index surveyed U.S. managers and employees for insights on conflicts facing today's working parents and opinions about how they are managed.

The results show a distinct divide: 56% of working parents are not happy at their current job, 64% say their company is not attentive to the needs of working parents, and 62% say their employer does not care about them personally.

But the data also suggest significant areas of opportunity for employers. By clarifying what's challenging people and offering insights about response programs, the Modern Family Index illustrates not just pain points, but pathways for employers to substantially strengthen their workforce and reap gains in critical areas including productivity, healthcare, and retention.



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WORKING PARENTS IN TODAY'S WORKFORCE

The large numbers of mothers and fathers in the workforce make working parents a substantial part of the nation's economic engine. The Bureau of Labor Statistics says there are currently 80 million families in this country,¹ nearly half with children under 18:

- 60% of married couples with young children have two working parents
- 40% of primary family breadwinners are mothers²
- 71% of women with children under 18 are working parents³

In addition, new challenges loom as millennials become working parents, with a new report saying that in 2014, 90 percent of babies arriving were born to the workforce's largest and arguably most influential employee demographic.⁴

A CLEAR COMMUNICATION GAP

More than 75% of both working parents and managers agree that to avoid burnout, changes must be made at the office rather than at home. But that is one of the few points on which they see eye-to-eye. Managers overwhelmingly reported that their companies are on top of today's culture challenges, with 70% saying they have a culture that supports work/life balance, family responsibilities (72%); and working-parent needs (73%). Working parents disagree:

- 76% of working parents say the company does not have their best interests at heart
- 62% say their employers do not care about them
- 61% of working parents do not feel supported to attend a child's event, such as a recital, soccer game, etc.
- 81% of working moms and 73% of working dads think their employers would be unable to spot the signs of burnout



NOT JUST ABOUT WORKING MOMS

Today's working dads want to be more than bystanders in child rearing, a fact that might surprise the boss.

WHAT'S WORRYING DAD

In the eyes of managers, advancing careers (60%) and being able to pay for college (72%) are two of the most commonly cited sources of working-dad stress. What's really on today's fathers' minds?

- 52% of fathers are stressed about work/life balance
- 48% are stressed about college savings
- 37% are stressed about promotions

DAD DISENGAGEMENT

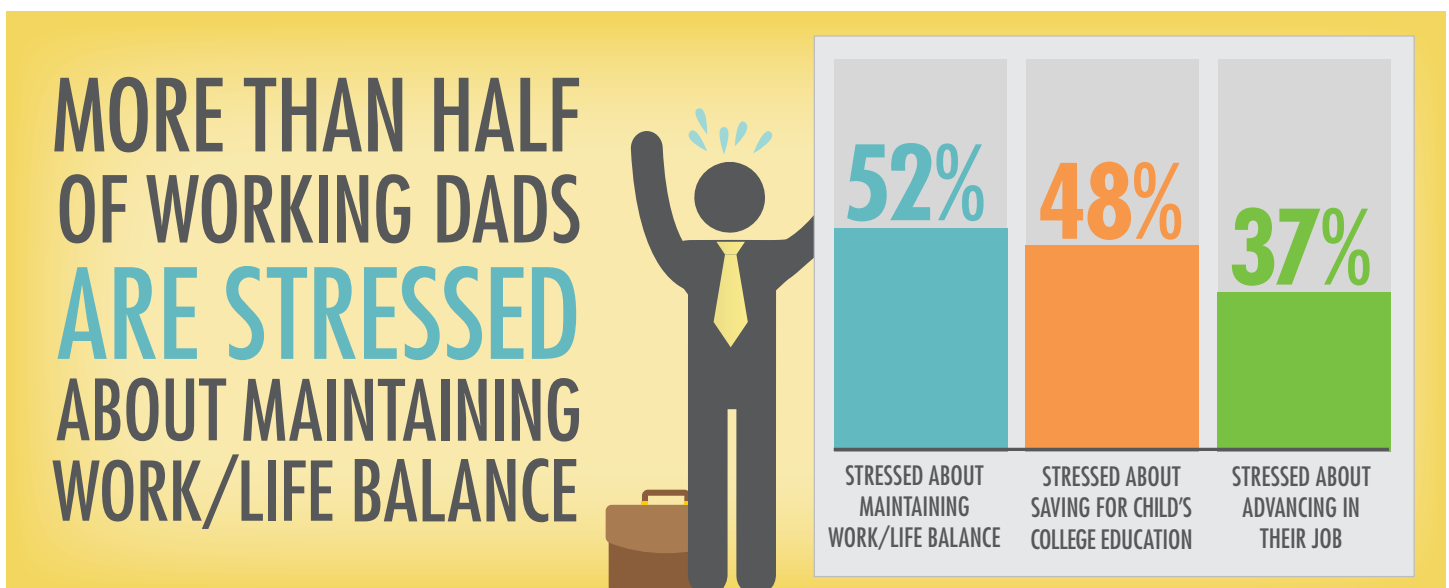
Barely a third of managers (34%) equated lack of family time with dad burnout, but among dads it topped the list of reasons they run out of steam:

- 46% of working fathers say they run out of steam due to lack of family time
- 40% due to not advancing in the job
- 27% due to a difficult client or project
- 20% due to excessive travel for work

DADS WHO WALK AWAY

Increasingly, working dads say quality of life guides their career choices:

- 16% say they would quit over the absence of work/life balance
- 16% would leave if passed over for a promotion
- 15% said they would leave if their career goals changed



CHALLENGES OF WORKING PARENTS: THE COSTS TO EMPLOYERS

For unaware employers, simmering job dissatisfaction only becomes evident when an employee says, “I quit.” But by then, poor job performances and chronic absences have likely already damaged bottom lines. Other associated costs are as follows:

BURNOUT

Stress among working parents is a substantial cause of burnout and growing health costs.

- 98% of employees said they have been burnt out
- 65% of employees cite lack of sleep as a top cause of burnout, followed by lack of family time (50%) and working on vacation (49%)
- 77% of working parents said they have become depressed, anxious, or sick as a result of burnout
- 48% of working parents in 2015 said they worried about their health, a 17% increase over 2014

TURNOVER

Turnover costs start at 20% of an employee’s annual salary,⁵ making it of particular concern now as a strengthening economy has upped the quit rate⁶ and led a third of employees to actively seek new jobs.

- 56% of working parents said they are unhappy in their current job
- 14% said they would quit even if they did not have another job lined up
- 16% of working dads said they would quit their job over lack of work/life balance

RECRUITMENT

Working parents, particularly millennials, are increasingly specific about companies they are willing to work for.

- 62% said it’s extremely important for company values to support the needs of working parents
- 53% call it critical that company cultures address family responsibilities



LOSING MOST VALUABLE PLAYERS

Renowned jugglers, working parents are top employees, lauded by managers in the survey as stronger than counterparts in key areas:

- 41% of managers said working parents are better multitaskers
- 34% said working parents are more effective in time management
- 33% said working parents are calmer in a crisis
- 28% said working parents are more financially responsible at work

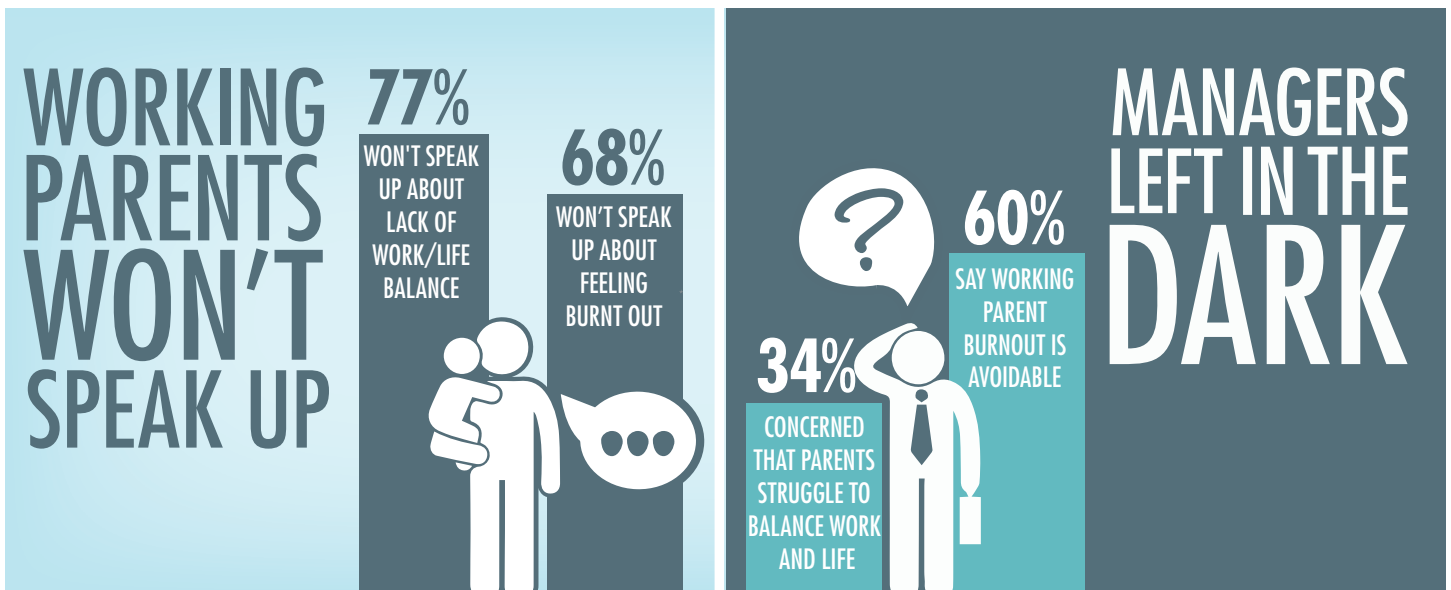
AREAS OF OPPORTUNITY

Parents and managers are eager to forge strong working relationships. And the data show potential pathways to getting there.

THE VALUE OF SPEAKING UP

Communication would likely solve many challenges. But many employees are reluctant to speak up about insensitivity (75%), the absence of work/life balance (77%), or feeling burnt out (68%). That has left managers in the dark about concerns and out of step with the workforce:

- 64% of managers believe their companies are attentive to parents' needs
- 63% do not worry whether working moms are having trouble setting boundaries between work and personal lives
- Only a small group (34%)⁷ admit to worrying about their employees' work/life challenges
- A similarly small group (30%)⁷ worry their employees think their companies do not care



ROAD TO CREATIVITY

Creativity is recognized as critical to performance and both working parents (35%) and managers (49%) say work/life balance is the number one thing that could make employees more creative. Responses from both managers and employees show other opportunities where employers can have impact:

- 35% of working parents and 49% of managers say work/life balance is the number one thing that could make employees more creative
- 29% of parents and 25% of managers say creativity comes from working with innovative people
- 28% of parents and 41% of managers credit free reign from a supervisor
- 28% of parents and 20% of managers said creativity comes from taking more time off

WHAT THIS MEANS FOR ORGANIZATIONS

The data builds on Bright Horizons' 2014 Modern Family Index showing that many working parents thought their family responsibilities would get them fired. It also further emphasizes findings from the White House Council of Economic Advisors indicating that today's workplaces have not caught up to the needs of 21st century families.⁸

Understanding working parents should be a key focus for organizational leadership. With a shrinking unemployment rate indicating a tightening job market and employees increasingly able to flex their options in terms of employment choices, there's urgency for employers to take note and respond.

Clearly, working parents are a key demographic, says David Lissy, CEO of Bright Horizons. "The labor market is tightening. Jobs are expected to outnumber workers by five million by 2020, and competition for top talent will continue to intensify. The success of organizations will in large part lie in the hands of their employees who are working moms and dads. The bottom line is: employers who can earn the hearts and minds of working parents will be ahead of the curve."

ABOUT THE BRIGHT HORIZONS MODERN FAMILY INDEX

The Modern Family Index is an Internet-based survey conducted by Kelton Global from May 29 to June 10, 2015. The sample size of 1,016 American respondents, ages 18 and over who work at least part time and have at least one child under age 18 in the home, at the 95 percent confidence level would equate to + or - 3.1 percent margin of error had this been a random sample. The sample size of 524 American respondents, ages 18 and over who work at least part time and are at the manager level or higher, at the 95 percent confidence level would equate to + or - 4.3 percent margin of error had this been a random sample. *Note: Please refer to the survey as the Bright Horizons Modern Family Index.

¹ Employment Characteristics of Families Summary, Bureau of Labor Statistics, April 23, 2015

² Wendy Wang, Kim Parker, and Paul Taylor, "Breadwinner Moms," Pew Research Center, May 29, 2013

³ Kim Parker and Wendy Wang, Modern Parenthood: Changing Views About Work, Chapter 1, Pew Research Center, March 14, 2013

⁴ Neale Godfrey, "The Cost Of Bringing Up Baby: Millennials, Start Writing The Check," June 29, 2015

⁵ Heather Boushey and Sarah Jane Glynn, "There Are Significant Business Costs to Replacing Employees," Center for American Progress, November 16, 2012

⁶ Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, 2015

⁷ Average among answers related to working mothers and working fathers

⁸ Council of Economic Advisors, "Nine Facts About American Families and Work," Office of the President of the United States, June 2014