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EXAMINING THE CASE FOR FAMILY LEAVE AND BENEFIT POLICIES

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The narrowing of the gender gap and the passing of the Family Medical Leave Act of 1993 have been significant changes in the labor market which have impacted maternity leave programs with employers throughout United States. This paper explores current legislation and effects of voluntary and involuntary family leave and benefit policies and offers suggestions for areas for further research. A theoretical framework is used for understanding and explaining the variance in what individual employers offer in terms of leave and benefit policies. The analysis and evidence suggest that there is a positive correlation between these policies and an organizations return on investment and reveals the family benefits in today's American work environment.

It is difficult to accept and understand that as recently as the 1960's companies required their pregnant employees to resign (Kelly & Dobbin, 1999). This archaic practice has evolved through law under equal opportunity, eventually leading to the passage of the Family and Medical Leave Act (FMLA) of 1993. Since then, we have seen a shift in the composition of the workforce. The Bureau of Labor Statistics reports that women make up almost half of today's workforce (Labor, 2012). In the past, women would leave the workforce and not return until their youngest child started school (Klerman & Leibowitz, 1994). This created a gap in pay, lost skills, and promotion potential for these women. In addition to an increase in the number of working women, there has also been a significant increase in number of dual earning households. The 1950's American ideology of dad coming home from work as the single breadwinner to mom in her apron with dinner waiting on the table has been replaced with one or both parents desperately struggling to manage both career and family. Historically, benefits were traditional packages (medical, dental, and retirement) that did not necessarily support workers with family responsibilities. The nature of work has also changed due to increased competition, downsizing and globalization. Competition creates a need a skilled workforce and organizations must create ways to both attract and retain employees; this may be in the form of benefits. Downsizing eliminates jobs and at the same time potentially increases the work load of employees that are

chosen to remain with the organization. Downsizing has also forced families to become dependent on the income of one parent, in many cases women, whose husbands lost their jobs including losing any pensions and benefits they had (Seyler, Monroe, & Garand, 1995). Globalization opens the door for new and complex human resource policies and practices and essentially has the potential to create work days that expand beyond the norm of nine to five due time zone change for both customers and employees. The notion of a 40 hour work week is nonexistent in many industries and the separation of family and work has been blurred.

This shift has created scenarios where some mothers have to return to work within only a few weeks after giving birth as they cannot survive without income. Others desperately save their vacation and sick time in order to continue getting paid while on the federally mandated 12 weeks of unpaid leave (if they and their employers even qualify). Only four states have passed "laws guaranteeing the use of accrued sick days or other leave to care for a new child" and only five have disability programs that pay for pregnancy and childbirth related issues (Holecko, 2011: 76). Family benefits are also on the decline and as the economy worsens as they are not as common as other benefits such as medical and dental insurance (Holecko, 2011). Some employers even argue that family leave and benefit policies, if mandated, will cause them to have to reduce these other common benefits (Trzcinski & Finn-Stevenson, 1991).

The issue of family leave and benefits for returning parents affects employees, their families, businesses, and the government. It is important to employees as leave allows mothers and fathers to bond with children, it allows mothers to have adequate time to establish breastfeeding, it potentially affects the mental health of both mothers and infants, and may have an impact on the probability of a mother returning to work. The issue is important to businesses for two very important reasons, recruitment and retention. In highly competitive industries employers vie for talent despite the national unemployment rate of 8.3% (Labor, 2012). This can be especially true in industries seeking specific skills from a small pool of applicants. When offered similar salaries, the benefits offered may become the means to set the employer apart from competition and allow them to obtain the best talent. Once the talent is obtained the employer must be innovative in retaining those employees as turnover is costly. That innovation may be in the form of family leave policies and benefits. The issue is also important to the government as states such as California take the lead on implementing paid family leave. The U.S. has the reputation as being a leader except in universal paid leave, out of all the industrialized nations only the U.S., Mongolia, Chad, Mali and Cuba do not offer paid leave to new mothers (Kelly & Dobbin, 1999). This is also similar with parental leave. "In 45 countries, fathers either receive paid parental leave from their employer or have a right to paid parental leave"; the United States is not one of them (Holecko, 2011: 76).

This paper explores three questions regarding family leave and benefit policies that go beyond what the current law requires which are: Do they retain employees? Do they affect employee performance? What is the cost to benefit ratio; do they create a return on an organization's investment? These questions will be answered and substantiated through testing several propositions. The first section will review the theoretical framework and propositions. The next section covers the evolution of family leave and

benefit policies, reviews the laws of three states, and reviews the leave and benefits policies in three other industrialized nations, specifically Sweden, Great Britain, and Canada. The analysis of the three variables, turnover, performance and return on investment, are covered in the next section through a discussion of research findings. The conclusion discusses the propositions and areas for further research.

FAMILY LEAVE AND BENEFIT POLICIES: MODEL AND THEORY

Family Leave and Benefit Policies Defined

Glass and Fujimoto define the notion of family benefits as "any benefit, working condition, or personnel policy that has been shown empirically to decrease job-family conflicts among employed parents" (1995: 382). This definition can also be applied to family leave and benefit policies, as these policies are work place supports and provide structure for organizations to manage work and family demands (Sahibzada, Hammer, Neal, & Kuang, 2005). Sahibzada et al. (2005) describe benefits as direct or indirect forms of compensation. Family leave for this paper is defined as time away from one's job where as it may be paid or unpaid, of different lengths of time and by which an employee's position is held until return. Family benefit policies for this paper include those benefits provided by an employer to assist in creating a balance in work/family conflict and can include: flexible schedules (to include working from home and flexible hours and days), subsidized childcare, onsite childcare, referrals for childcare or assistance in finding a provider, and childcare workshops or training. Policies can also include those that allow leeway to managers and supervisors in enforcing and determining work rules (Glass & Fujimoto, 1995).

Commitment Strategy and Theory

There are several theories that explain why organizations may or may not implement family leave and benefit policies. This paper will utilize commitment theory, social exchange theory, and rational choice theory to support the reasoning for family leave and benefit policies.

Employees are motivated by different reasons to remain at an organization. Desai and Waite (1991) suggest that one of these reasons is the ease of combining both work and family, regardless of why the employee chose that job. Desai and Waite (1991) label the preference of a woman who starts or has a family and chooses to return to work rather than stay home as work commitment. This should not be associated with just employment as they also note that work commitment is driven by other motives than the financial necessity to work (Desai & Waite, 1991).

Osterman (1995) hypothesized that benefits play a pivotal role in gaining the behaviors organizations are seeking to create high-

performance and high-commitment cultures. This concept can be used to support the three questions posed in the introduction, leading to several propositions for this paper. Commitment based strategies began to appear in the 1980's, prior to that organizations were mainly control based (Osterman, 1995). The two strategies differ by several variables including: job design principles, performance expectations, management organization: structure, systems and style, compensation policies, employment assurances, employee voice policies and labor-management relations (Walton, 1985). The comparison of these variables can be found in Walton's (1991) research found in Table 1.

TABLE 1
Differences in Control and Commitment Strategies as described by Walton (1991)

	Control	Commitment
Job Design Principles	Individual attention limited to individual job.	Individual responsibility extended to upgrading system performance.
	Job design deskills and fragments work and separates doing and thinking.	Job design enhances content of work; emphasizes whole task, and combines doing and thinking.
	Accountability focused on individual.	Frequent use of teams as basic accountable unit.
	Fixed job definition.	Flexible definition of duties, contingent on changing conditions.
Performance Expectations	Measured standards define minimum performance. Stability seen as desirable.	Emphasis placed on higher "stretch objectives," which tend to be dynamic and oriented to the marketplace.
Management Organization: Structure, Systems and Style	Structure tends to be layered, with top-down controls.	Flat organization structure with mutual influence systems.
	Coordination and control rely on rules and procedures.	Coordination and control based more on shared goals, values and traditions.
	More emphasis on prerogatives and positional authority.	Management emphasis on problem solving and relevant information and expertise.
	Status symbols distributed to reinforce hierarchy.	Minimum status differentials to de-emphasize inherent hierarchy.
Compensation Policies	Variable pay where feasible to provide individual incentive.	Variable rewards to create equity and to reinforce group achievements: gain sharing, profit sharing.
	Individual pay geared to job evaluation.	Individual pay linked to skills and mastery.
	In downturn, cuts concentrated on hourly payroll.	Equality of sacrifice.
Employment Assurances	Employees regarded as variable costs.	Assurances that participation will no result in loss of job.
Employee Voice Policies	Employee input allowed on relatively narrow agenda. Attendant risks emphasized.	Employee participation encouraged on wide range of issues. Attendant benefits emphasized.
Labor-Management Relations	Adversarial labor relations; emphasis on interest conflict.	Mutuality in labor relations; joint planning and problem solving on expanded agenda.

Source: (Walton, 1985: 82-83)

At the center of the commitment strategy is the belief that a highly committed workforce will lead to higher performance (Walton, 1985). Table 1. summarizes those beliefs, the commitment strategy essentially establishes a “new system” and alters how employees work and relate to one another and their organization (Osterman, 1995: 685). The new system utilizes the characteristics summarized in Table 1. to improve productivity and overall organizational performance through commitment. The commitment strategy is linked to family leave and benefit policies. Osterman (1995) linked the two through studies of Japanese companies hypothesizing a link between high commitment work systems and the adoption of work/family programs. He noted that research done by Lincoln and Kalleberg (1990) found that work/family benefits had a positive effect on workplace commitment (Osterman, 1995).

Social Exchange Theory

Social exchange is one method of describing commitment. Sahibzada et al. (2005) used the social exchange theory to explain the link between providing workplace supports, such as policies and benefits, and desired employee outcomes. Research done by Sinclair, Hannigan, and Tetrick (1995) hypothesized that there is a relationship between the exchange commitments that organizations and employees share which affects their behaviors. Eisenberger, Huntington, Hutchison and Sowa (1986) use perceived organizational support to also substantiate this theory. This perception pertains to employees believing that their organization values both their contributions and is vested in their well-being (Eisenberger, Huntington, Hutchison, & Sowa, 1986). Treatment by the employer instills a belief of how the employee would be treated under different circumstances (present and future) including illness, errors and exemplary performance (Eisenberger et al., 1986). The perceived support changes or instills beliefs resulting in the employees linking their identity to the organization therefore creating a positive bond to their employer (Eisenberger et al., 1986).

“An effort-outcome expectancy and affective attachment would increase an employee’s efforts to meet the organization’s goals through greater attendance and performance” (Eisenberger et al., 1986: 501). The research done by Eisenberger et al. (1986) strongly supported this idea.

Shore and Tetrick (1991) further support this research and perspective through their study and revisited Becker’s (1960) idea of side bets. The bet essentially binds employees to their organization through extraneous investments (Becker, 1960). Those investments can be in the form of family leave and benefits. Reciprocity, a notion suggested by Scholl (1981) and Gouldner (1960), further substantiate the idea of perceived organizational support (Gouldner, 1960; Scholl, 1981). Gouldner’s belief is similar to the golden rule, individuals should help others who have helped them (Shore & Tetrick, 1991). Scholl (1981) on the other hand believes that reciprocity is a give and take, that when an employer provides an employee with something, such as benefits, employees should in turn repay employers through performance (Shore & Tetrick, 1991).

Rational Choice Theory

Commitment and social exchange are two theoretical perspectives that explain the effects of family leave and benefits on retention, job performance and overall return on investment. There is another theory, rational choice, that may resonate with whether or not an organization may or may not implement a family leave and benefit policy. Seyler, Monroe and Garand (1995) used this theory to explain the level of family leave and benefits employers decide to implement. Rational choice theory suggests that decision makers are rational and that they will look to, at the same time, maximize benefits and minimize costs (Seyler et al., 1995). This would infer that if the benefits exceed the cost then the person would take the course of action to implement the benefits. Seyler et al. (2005) use this rationale to explain that if policies, such as

family leave and benefit policies, aide in an employer achieving goals such as productivity, then rationally that employer would implement those policies.

THE EVOLUTION OF FAMILY LEAVE AND BENEFIT POLICIES

Changing Demographics

As mentioned in the introduction the landscape of the workforce has changed dramatically over the last several decades and is still in flux. A majority, 78 percent, of families rely on the income of both parents to survive (Grant, Hatcher, & Patel, 2005). Grant, Hatcher, and Patel (2005) report in their state by state analysis that over 50 percent of women who are pregnant remain working up until one month before giving birth. Those women facing extreme financial pressure are likely to work up until their due date or beyond. Laughlin (2011) reported that the percentage of women who worked during pregnancy increased from approximately 44 percent to 65 percent roughly from 1961 to 2006 and approximately 88 percent worked up into the third trimester. It is exponentially worse for those families below the poverty level where two in five families have no paid leave, including personal time, vacation, or sick time (Grant et al., 2005). Federally, there are only two laws, The Pregnancy Discrimination Act and The Family Medical Leave Act, to protect and assist employees expecting children (Grant et al., 2005). Neither of these federal laws requires paid leave and it has been up to individual organizations or states to offer or enforce this benefit. In 2000 personnel managers in the United States were surveyed on paid leave benefits, only 12 percent offered paid maternity leave (Grant et al., 2005).

The implementation of the two laws had an effect on women returning to work within one year after giving birth. Laughlin (2011) reported that 17 percent returned within one year during the period 1961-1965, this jumped to 39 percent from 1976-1980 and to 64 percent from 2005-2007, an increase of almost 50 percent in close to a 50 year time span. Laughlin (2011) reports that from 2006-2008, 51 percent of those women who

took leave received paid leave benefits, 42 percent received unpaid leave and 10 percent received disability leave.

Women are also waiting longer to become mothers, in fact, the percentage of women 35 and older having a first baby has increased by eight times from 1970 to 2006 (Laughlin, 2011). The opposite occurred with women under 20 years of age. During this same time the educational attainment (bachelor's degree) by mothers has also increased, jumping by 15 percent (Laughlin, 2011). Laughlin (2011) reported that the level of education is associated the probability that a mother worked during her first pregnancy. She reported that 87 percent with a bachelor's degree (or higher) worked during their pregnancy compared to those with less than a high school diploma at 28 percent.

Overall the demographics show that women are having children later in life, those that are becoming mothers are more educated than ever, older mothers are working longer during pregnancy (into the third trimester) and they are working late in their pregnancies or up until their due date (Laughlin, 2011). These statistics possibly indicate that women are working later in their pregnancies due to financial reasons or commitment to their work roles (Laughlin, 2011). They may also be indications for turnover and may indicate levels of performance upon return from leave.

Federal Structure

Long before the passing of the FMLA there has been an evolution of law to protect the jobs of women becoming pregnant and going on maternity leave. World War II expanded the number of female workers, in both traditional and non-traditional roles, and the Department of Labor's Women's Bureau first recognized and recommended that employers at that time hold jobs for their female employees who were not able to work due to pregnancy and postpartum (Kelly & Dobbin, 1999). Despite the great strides in the civil rights movement of 1960's there was little movement to include maternity as a disability or condition of discrimination. Kelly and

Dobbin (1999) explain that there are three government mandates that drove employers to begin offering leave (they argue that employer response was not voluntary). The first of these mandates was the 1972 ruling by the Equal Employment Opportunity Commission (EEOC) where “employers who allowed leaves for disabling medical conditions must allow them for maternity” (Kelly & Dobbin, 1999: 456). The ruling meant employers had to provide the same benefits to employees with “pregnancy-related disabilities” as they did with those employees that had “nonoccupational injury and illness” (Kelly & Dobbin, 1999: 462). Employers also could not terminate, fail to promote, train and hire based on pregnancy (Kelly & Dobbin, 1999). Those employers that did not comply were in violation of the Civil Rights Act of 1964 (sex discrimination) (Kelly & Dobbin, 1999). The second mandate took place in 1978 when the 1972 EEOC ruling was overturned by the Supreme Court but was codified by Congress (Kelly & Dobbin, 1999). Also, in 1978 Congress passed the Pregnancy Discrimination Act which amended the Civil Rights Act of 1964 to include discrimination based on pregnancy. The Pregnancy Discrimination Act made it mandatory for employers to offer the same benefits to pregnant workers as they would with workers with other disabilities (Grant et al., 2005). Although the Pregnancy Discrimination Act was a step in the direction of protecting the treatment of pregnant workers it did nothing to protect those workers jobs. The last mandate took place in individual states, including California, where state government went above and beyond what the laws required at the time (Kelly & Dobbin, 1999). Categorizing pregnancy as a disability put it in the same category as other short-term disabilities, therefore the same benefits would have to be offered (Kelly & Dobbin, 1999). Employers soon after began to recognize the changes in the demographics of their work force and many started offering maternity leave as a benefit to their employees

(Kelly & Dobbin, 1999). These changes allowed female employees to hold their jobs instead of out-right quitting in order to have children.

The single piece of federal legislation protecting the jobs of those employees on leave is the Family Medical Leave Act. “The law requires employers with 50 or more employees to provide 12 weeks of unpaid leave to employees who have worked at least 1,250 hours in the previous 12 months” (Berger & Waldfogel, 2004: 332-333). These qualifications are restrictive and of the 60% of private sector workers that are eligible for FMLA based on company size, 45% do not qualify due to the hours criteria (Berger & Waldfogel, 2004). Those that do qualify continue to receive elected benefits coverage by their employer during the leave and have their jobs protected for when they return. The passing of the FMLA has protected the jobs of both mothers and fathers, allowing them to take much needed leave to bond with their newborns. Although the Act protects jobs and continues benefits it does not require those on leave be paid, not addressing the issue of the inability of parents to take unpaid leave. Grant et al. (2005) reported that nearly 10 percent that do go on leave protected by the FMLA receive public assistance. It has been almost two decades since the passage of the Act, federal lawmakers are doing very little to change or enact new laws, it has prompted many states to produce their own, individual, laws in order to supplement this inadequacy.

Varieties of State Structure

Prior to the passage of the FMLA “maternity leave coverage was generally the result of state law, collective bargaining agreements, and employer policies” (Berger and Waldfogel, 2004: 332). California, Connecticut and New Jersey are three of twelve states that required maternity leave coverage before the passage of the FMLA, this coverage is summarized in Table 2. (Berger & Waldfogel, 2004).

TABLE 2
Twelve State Comparison

State	Month/Year	Firm size covered
California	1/80	15+ until 1/92; 1+ after
Connecticut	1/73	3+
Maine	4/88	25+
Massachusetts	10/72	6+
Minnesota	7/87	21+
New Jersey	4/90	75+ until 5/93; 50+ after
Oregon	1/88	25+
Rhode Island	7/87	50+
Tennessee	1/88	100+
Washington State	10/73	8+
Washington, DC	4/91	50+
Wisconsin	4/88	50+

Source: (Waldfoegel, 1999: 301)

California. California was one of the first states to take the lead in going above what the law required in terms of family leave in benefits. Grant et al. (2005) evaluated parental leave policies (on a letter scale) across each state. Although, the authors did not give an “A” to any state, California was rated the highest (along with Hawaii) with an “A-” amongst all fifty states (Grant et al., 2005). In 1978 California amended its’ Fair Employment and Housing Act to include the requirement that employers with at least 15 employees allow maternity leave for female workers (Kelly & Dobbin, 1999). This act was very different than the federally mandated Pregnancy Discrimination Act as employers were required to provide maternity leave even if they didn’t provide leave for other disabilities (Kelly & Dobbin, 1999).

California is currently demonstrating how to implement a low cost family leave and benefit program. In 2002 California passed the Paid Family Leave (PFL) program, the first of its’ kind in the United States (Appelbaum & Milkman, 2011). The law requires, to employees that are eligible, a wage replacement at 55 percent of their pay for up to six weeks (Appelbaum & Milkman, 2011). The leave program covers both mothers and fathers and allows parents to take time off to

bond during a child’s first year (Appelbaum & Milkman, 2011). Grant et al. (2005) reported that the leave program costs each employee less than \$2.25 per month to maintain (this cost of course changes with inflation) (Appelbaum & Milkman, 2011)). California’s PFL does not protect jobs or require the continuance of benefits, however, unlike the Family Medical Leave Act all private-sector workers are included regardless of employer size, hours worked and duration of employment (Appelbaum & Milkman, 2011).

The following points summarize the California private sector family leave and benefits (Grant et al., 2005):

- Six weeks of paid leave in order to care for a newborn, adopted child or foster care child.
 - Leave program is employee funded and full-time, part-time and temporary employees are eligible.
- Leave to care for a family member who is ill and disabled due to pregnancy or postpartum.
- Flexible sick leave law that allows workers to take their leave to care for a spouse who is disabled due to pregnancy or postpartum.
- The state Fair Employment and Housing Act (FEHA) requires employers provide up to four months unpaid pregnancy related leave

regardless of duration or hours worked. After the four months the employee may request an additional 12 weeks of leave pending she meets the requirements outlined in California's Family Rights Act.

- Although this paper is covering private sector employees it is worth noting that California offers more generous family and leave benefits to public sector employees, including the potential for up to a year of unpaid leave (Grant et al., 2005).

Connecticut. As with California, Connecticut was one of the first states require maternity leave. Aligning with California, Connecticut required that in order for an employee to take leave for pregnancy it had to be founded in a disability (Vogel, 1993). Almost four decades ago Connecticut recognized pregnancy as a disability and added it to its Fair Employment Practices Act (Vogel, 1993).

The following points summarize the Connecticut private sector family leave and benefits (Grant et al., 2005):

- Flexible sick leave law (for employers with 75 or more employees) that allows workers to use up to two weeks of accrued leave to care for a spouse who is disabled due to pregnancy or postpartum. Unlike California this leave can also be used to care for a newborn.
- Employers with at least 75 employees must provide 16 weeks of leave in a 24 month period for birth, foster child placement or adoption. This leave also covers those employees who must care for a spouse that is temporarily disabled due to pregnancy or postpartum.

New Jersey. New Jersey followed California's lead in 2009 by creating Family Leave Insurance (Appelbaum & Milkman, 2011). This employee funded program is built on the states temporary disability insurance (TDI) program and provides two-thirds weekly pay income replacement.

The following points summarize the New Jersey private sector family leave and benefits (Grant et al., 2005):

- Employees are entitled Family Leave Insurance that covers partial wages (pregnancy and postpartum are included in the disability benefit program).
- Employers with at least 50 employees must provide workers up to 12 weeks of unpaid leave in a 24 month period for newborn care, foster child placement or adoption. The leave also covers those employees who must care for a spouse that is temporarily disabled due to pregnancy or postpartum. This leave can be used in conjunction with the leave offered via The FMLA and eligible employees may be able to take an additional 12 weeks.

Overall, 23 states offer no laws that protect jobs or guarantee family leave and benefits in the private sector (Grant et al., 2005). Only three additional states provide temporary disability programs (New York, Rhode Island and Hawaii), although these disability programs do not offer wage replacement for spouses that would need to stay home for newborn care, foster child placement, adoption or to care for the spouse that is temporarily disabled due to pregnancy or postpartum (Appelbaum & Milkman, 2011). Several states including Pennsylvania, New York, Massachusetts and Maine, to name a few, are considering following California's lead in creating state family leave programs but none of the states have made these plans a reality (Appelbaum & Milkman, 2011).

Country Comparison

The Federal regulatory structure of leave has expanded exponentially in only a short period of time as stated in the previous section. However, the United States fails in comparison to other industrialized nations. Where the FMLA offers three months of unpaid leave other countries offer 10 months on average. Those 10 months (or more) is almost always 100 percent paid (Grant et al., 2005). Three industrialized nations, Sweden, Great Britain and Canada will be used as examples to examine foreign family leave and benefit policies.

Sweden. Sweden is often used in comparisons as it is said to be one of the most generous nations when it comes to leave. Where the FMLA allows for 12 weeks of unpaid protected leave, Sweden protects jobs for 16 months (shared for both the mother and father) at 80 percent of pay (Bourne & Lentz, 2009). Sweden actually requires that two of the 16 months be taken by the father. Over 40 years before the United States passed the Pregnancy Discrimination Act, Sweden passed two laws, making it illegal to terminate a pregnant employee and giving women three months of unpaid leave (Haas, 1992). Sweden experienced a surge of women in the labor force in the 1960's impacted by a labor shortage and subsequent laws that encouraged women to enter the labor market (Bourne & Lentz, 2009). It is interesting to note that the phenomena of women entering the labor force during World War II did not have this same effect in the United States. At this same time, as the country began shifting to dual income households, it started to publicly fund daycare (Bourne & Lentz, 2009). In 1974 Sweden expanded the mandatory leave to cover both men and women, creating a culture where work-family policies are designed to encourage both men and women to participate in the workforce and at the same time promote the well-being of parents and children (Bourne & Lentz, 2009).

Great Britain. In 1978, when the United States passed the Pregnancy Discrimination Act, Britain passed maternity leave legislation on a national level (Waldfogel, Higuchi, & Abe, 1999). By 1993 all working women were eligible for coverage and one year later a majority of the legislation pertaining to pregnancy and family leave was passed (Waldfogel et al., 1999). Statutory Maternity Leave in Britain is a total of 52 weeks, 26 weeks of ordinary leave and 26 weeks of additional leave and the hours worked and length of time with an employer has no bearing on whether or not an employee will receive the leave (Directgov, 2012). Britain also has compulsory maternity leave requiring new mothers take at least two weeks off after the birth of a child (Directgov, 2012). Statutory Paternity Leave provides for two weeks of

mandatory leave for the father or partner (Directgov, 2012). Fathers and partners may also be eligible to take Additional Paternity Leave for up to 26 weeks after the mother has returned to work (which also may be paid) (Directgov, 2012). On the benefits side, women on leave are paid via two venues: the employer paid Statutory Maternity Pay and the Department of Social Security paid Maternity Allowance (Callender, Millward, Lissenburgh, & Forth, 1997). There are requirements for mothers on leave to receive Statutory Maternity Pay, they have to be employed for 26 weeks and have to meet minimum wage requirements, those that qualify receive pay for 18 weeks while on leave (6 weeks at 90% of pay and the remaining 12 at a flat rate) (Callender et al., 1997). Those on leave that do not qualify for Statutory Maternity Pay may be eligible for Maternity Allowance. There are also qualifications to receive this type of pay, the individual has to have contributed to the National Insurance and worked 26 out of the 66 weeks prior to going on leave (Callender et al., 1997).

Canada. Our neighbors to the North have enjoyed generous leave policies that vary by province. British Columbia has the earliest legislation protecting pregnant workers when the Maternity Protection Act of 1921 was passed mandating that women could be required to work no sooner than 6 weeks postpartum (Baker & Milligan, 2005). It took close to 40 years for New Brunswick to mandate this same requirement followed by Prince Edward Island twenty years after that (Baker & Milligan, 2005). There are several mandates that are common across the provinces. One of those mandates is the unlawful termination of a female because she is pregnant (Baker & Milligan, 2005). The length of the leave, the specification that it is unpaid, the requirement of a minimum length of employment time for eligibility, and the protection of terms of employment and the continuation of employer benefits are also common mandates (Baker & Milligan, 2005). The minimum length of mandated leave across all the provinces is 52 weeks (Baker & Milligan, 2005). This leave is unpaid, however, Canada's Employment Insurance program

provides some benefits. The Employment Insurance program is funded by employees and provides 15 weeks of benefits to new mothers and 35 weeks of benefits for new parents (Canada, 2012). Eligibility hinges on whether or not one has paid into the insurance, currently the requirement is \$1.83 for every \$100 earned and the deduction continues until the cap of yearly earnings of \$45,900 is earned (Canada, 2012). The Employment Insurance benefits are taxable and are paid based on the length of mandated leave, for new mothers a maximum of 15 weeks, for new parents 35 weeks which can be divided between the mother and father (Canada, 2012).

The United States has not kept up with the generous leave and benefit policies other industrialized nations offer their citizens. Not only are mothers in Sweden, Great Britain and Canada

on leave longer, it is almost unheard of that a working mother would return to work within the first three months after childbirth, a sharp contrast to the U.S. where 33% return within the first three months (Berger & Waldfogel, 2004). They are also being paid to be on leave and these nations encourage the fathers or partners to also take leave, further emphasizing the importance and responsibility of the family unit.

THE CONTINUUM OF FAMILY LEAVE AND BENEFITS PROGRAMS

The spectrum of family leave and benefits is vast, varying from no benefits to packages offering extensive prenatal care, paid leave for a year, and generous return to work benefits. Tables 3. and 4. summarize illustrate this spectrum.

**TABLE 3
Family Leave Policies**

No	Low	Medium	High
Organization only offers what is mandated by law	Organization allows employees to use sick and vacation time in addition to leave covered by FMLA	Organization offers short term disability benefit for supplemental income	Organization extends leave past the minimum 12 weeks
		Partial paid leave for the father or partner to bond	Full pay while on leave
			Full pay for the partner or father to bond
			Vacation and sick time accrues while on leave

**TABLE 4
Return to Work Policies**

No	Low	Medium	High
Employees return to work after leave with no additional benefits or policies	Organization offers a lactation room (with no amenities)	Dependent Care Flexible Spending Accounts	Flexible schedules or work from home policies
		Supplemented child care	Onsite child care or contracted child care paid for by the employer
		Organization offers a lactation room with amenities	Additional leave for school involvement
			Educational programs for new parents
			Organization offers a lactation room with amenities and pays employee during time spent pumping (if hourly)

Employees that work in states that do not have their own mandates have to rely on qualification under the FMLA or employer policies to have any type of leave. If they don't qualify and work for an employer that doesn't offer this benefit they may be forced to either leaving their job or returning immediately after child birth. From this point the leave and benefit spectrum continues, first for those employees that qualify for FMLA and depending on the state they live in may be eligible for short term disability. They also may be allowed to use accrued paid time off such as sick time and vacation to supplement their income during this time. The variables and possibilities are interchangeable and vast over this spectrum up until the extreme end with the most generous benefit packages. These can be seen looking at what countries, including Sweden, Great Britain and Canada offer. The extreme end of the spectrum, when looking at other industrialized nations, include 52 weeks of leave, that are fully or partially paid, with prenatal and postpartum medical costs paid for or subsidized paired with return to work benefits such as flexible work arrangements, subsidized child care and pretax salary reductions for dependent care.

In the United States the far end of the spectrum is, at this time, unobtainable by most citizens. In order to get even close, employees rely on their employers for more generous family leave and benefit packages. Seyler et al. (1995) in their study, surveyed Louisiana businesses to find out the types of family-related policies and benefits were being used (among other benefits). The results of their questionnaires revealed a broad spectrum of benefits with the most prevalent, maternity leave, applying to 71 percent of the companies (Seyler et al., 1995). They found very few out of the 178 companies they surveyed offered a comprehensive benefit package and out of all the benefit options they surveyed for: 30 percent offered one of the benefits, 24 percent offered two, 15 percent offered three and none of the companies surveyed offered more than 10 of the options (Seyler et al., 1995). Those options included: personnel policies such as flextime,

work from home, sick leave, parental leave and maternity leave, financial aid programs such as subsidizing child care, pretax salary reductions for dependent care, and contracts with child care providers for caring for sick children.

Studies comparing individual private organizations family leave and benefit policies are scarce. Each year *Working Mother* magazine publishes the 100 Best Companies to work with criteria based on parental leave, child care, flexibility, culture and advancement (Barnum & Siegel, 2011). This report exposes the generous benefit packages employers offer where state and federal regulations lag. Although the magazine doesn't list the best places to work in order, those appearing in double digits year over year include: Bank of America, Citi, DuPont, HP, IBM, Johnson & Johnson, Merck and SC Johnson to name a few (all also happen to be Fortune 500 companies) (Barnum & Siegel, 2011). Bank of America offers health insurance to employees working only 20 hours per week, they also offer subsidized daycare and referrals for services such as nannies (Barnum & Siegel, 2011). DuPont has created a flexible work environment for its' employees, allowing both telecommuting and compressed work weeks, it also offers paid leave that has a range of 21 to 41 days per year and has also increased its adoption aide to \$5,000 (Barnum & Siegel, 2011). IBM has also taken the lead on implementing flexible schedules and telecommuting, the company also offers three child care centers for its employees and gives their employees 25 days of backup day care per year at 141 additional facilities (Barnum & Siegel, 2011).

RESEARCH HYPOTHESES

The model for family leave and benefit policies is driven by the characteristics, values and beliefs of an organizations employees. Characteristics including age, gender and health coupled with values and beliefs such as the importance of family, need for fulfillment and religious beliefs may cause life events including childbirth/rearing or adoption. Seyler, Monroe,

and Garand (1995) used several of these characteristics in their research in the role of employer-supported child care benefits. The number of females in the organization is one factor that should affect benefits packages because, although employed, still remain the primary parent in terms of raising children and other family responsibilities (Seyler et al., 1995). This fact also implies that female worker productivity, job satisfaction and commitment are more impacted by the family leave and benefit policies an organization offers (Seyler et al., 1995). Those life events have been and are the root of development of both federal policy individual organization policies. The organizations family leave and benefit policies are the independent variables for this paper. The policies are a function of organization profitability, organization size, the tenure of employees, and the types of jobs at the organization (these functions serve as the moderators for this paper) (Glass & Riley, 1998). The moderators drive types of policies the organization may adopt and implement which include such benefits as flexible schedules, paid leave, short term disability, and different types of social support programs. For example, a large organization may have the resources to provide a complex and robust family leave and benefit policy where a smaller employer may not be able to provide the same policy but may be able to allow for flexible work arrangements (Seyler et al., 1995). The policies are related both to rates of turnover and job performance and overall organization performance (the dependent variables).

The following propositions are suggested based on the theory and strategies reviewed:

1. Conflicts between work and family life cause turnover and decrease job performance.
 - 1a. Family leave policies lead to increased affective attachment.
 - 1b. Family leave policies lead to increased employee attendance.
 - 1c. Family leave policies lead to increased performance.
2. Family leave polices lead to organizations with a higher-skilled workforce.

3. Return to work policies lead to decreased employee turnover.

ANALYSIS

Organization Return on Investment

Fitz-enz (2000) suggests a benchmarking process that can be used to determine the value of implementing processes and functions, including the introduction of a family leave and benefit policy. He offers six questions that guide the shareholder through the process including (Fitz-enz, 2000):

- What is the state of the process one wants to improve?
- How is that state causing problems?
- If the state was fixed what would the outcome look like?
- How is the result different than the original state?
- What is the economic value of the difference?
- Is it worth the effort or should the focus be on other resources?

This process allows organizations that are competitive and may be categorized as commitment based to come to a decision using deductive reasoning. Return on investment is the premise behind the theory of rational-choice suggested by Seyler et al. (1995). The authors proposed that profit is the result of many factors including productivity, workforce stability, and the development of a positive business image and that there is a relationship between these factors and the benefits a company provides (Seyler et al., 1995). Aside from turnover and performance, which are two variables that can affect an organizations finances, Seyler et al (1995) discuss how these benefits relate to recruitment and selection in tight labor markets. Firms competing for candidates with a specific set of skills will use not only competitive salaries but also attractive family benefits (Seyler et al., 1995). The attainment of highly-skilled workers, influencing the composition of an organizations overall workforce, has the potential to lead to overall improved organizational performance through

productivity and innovation. Therefore, an organizations' composition is a factor in determining whether or not to implement family leave and benefit policies. Glass and Fujimoto (1995) place emphasis on those employers that operate in tight labor markets that are competing for female workers, especially those with highly marketable skills (Glass & Fujimoto, 1995). On one side the employer must remain competitive by offering family leave and benefits, by doing so they may be able to select and gain the best talent. On the other side there is a risk, if employers now have a large concentration of female workers who have the potential to use the benefit it may be extremely costly in the future (Glass & Fujimoto, 1995). Overall it has been found that mothers and women that are planning to become mothers "self-select into jobs with characteristics or benefits that ease the strain of combining employment and parenthood" (Glass & Camarigg, 1992: 132).

Trzcinski and Finn-Stevenson (1991) researched the argument that if parental leave was mandated it would raise the costs for employers to do business. Some employers argue that there would be no return on investment and in fact would hinder economic growth and productivity. One of the counter arguments posed by Trzcinski and Finn-Stevenson (1991) that when employers don't burden some of the cost for ensuring the children of today are cared for then they are essentially free loading on the result of employees taking on all the cost to raise children who are eventually future productive workers. Another argument posed is the idea that businesses should held accountable for costs that are created when a lack of family leave creates stressed employees (Trzcinski & Finn-Stevenson, 1991). Those employees then would create a strain to not only the business but also to society. The last, and most relatable argument to return on investment, has to do with the financial burden leave polices would impose. The employer argument is that leave would cause both direct and indirect financial burdens with the potential of putting the employer out of business (Trzcinski & Finn-Stevenson, 1991). Employers

who choose not to offer leave would not have to hire temporary workers or enforce overtime, essentially the employee would have to quit to take time off (it is important to note here that this article was written prior to the passage of the FMLA although the Act does not cover 100 percent of employers) (Trzcinski & Finn-Stevenson, 1991). When the employee quits a replacement is most likely hired and would have to be trained, these costs Trzcinski and Finn-Stevenson (1991) argue are close to or the same costs of having to hire temporary workers or incur overtime, not to mention the effort and costs to find and hire a highly skilled employee. There are costs associated with both solutions, training is essential for both solutions and there are hiring costs for temporary workers. There is also the issue of productivity in temporary workers as they know they will not be with the organization long which may affect productivity (Baumm, 2003). If the temporary workers productivity is low other employees may have to take on additional work with a potential result of decreased moral affecting their productivity, creating a snowball effect (Baumm, 2003).

A study done by Appelbaum and Milkman (2011), surveying over 250 organizations in California, found that the implementation of paid family leave found that there was minimal financial burden on business operations. They reported that 89 percent of employers saw either a "positive effect" or "no noticeable effect" on productivity and 91 percent saw those same findings with profitability and overall performance (Appelbaum & Milkman, 2011: 4). The use of the employee funded paid family leave created a cost savings for 8.8 percent of employers surveyed, this was due to employees using paid family leave instead of using the employers benefit plans/programs which included benefits such as sick time, vacation, and/or paid disability benefits (Appelbaum & Milkman, 2011). Although this is a very small percentage it is also important to note that 86.9 percent of those companies surveyed saw no cost increases when the paid family leave programs was implemented (Appelbaum & Milkman, 2011). The 13.1 percent

of employers that responded a cost increase reported that this was due to having to hire temporary workers and for training to replace the employee out on leave (Appelbaum & Milkman, 2011). Logically paid family cannot be solely to blame if those employees that were on leave were covered by the FMLA. If they were covered, the paid family leave program should have little or no impact on the employer as the program is employee funded.

In 1999 Jane Waldfogel studied the impacts of the FMLA, specifically the impact on employment and earnings (Waldfogel, 1999). She found that the FMLA had an impact both in leave taking (increased) and employment (positive). She questioned what the results may mean to changes to the Family Medical Leave Act, specifically if part of the leave is paid. She found that current law is low cost to the employer (not accounting for productivity) therefore mandating paid leave would result in much higher cost to the employer (Waldfogel 1999). She also suggests expanding coverage (changing the requirements) would also be minimal in terms of negative employment. Baum (2003) argues a very interesting phenomena that has the potential to occur if there was an increase in maternity leave legislation, specifically in regard to wages. He argues that maternity leave legislation would essentially increase the labor supply (Baumm, 2003). He gives the example that if a woman was planning on using maternity leave now and in the future they would be willing to work for lower wages to stay in the work force, essentially increasing the labor supply and allowing employers to potentially offer lower wages (Baumm, 2003). Baumm (2003) stated that the increase in legislation and the relationship to lower wages was essential ambiguous therefore may not necessarily lead to a return on investment for employers. Baum (2003) also discusses impact negotiations between the employee and employer on the decision by mothers to return to their previous employment. He argues the implication that if employers and employees negotiate leave and implement a private, organizational policy that there is

potential for the mother to take a lower wage in exchange for a better leave benefit (Baumm, 2003). Of course this negotiation is only valuable to those employees that expect to take leave and does not benefit those where the leave is needed unexpectedly, federally mandated leave and benefits would be more optimal in this situation (Baumm, 2003).

Whether or not an employer offers leave above the federal law or not there is a cost associated with any employee out of work. Paid time off including vacations and sick time cause disruptions in productivity or performance but are more manageable than when an individual is on leave for a much longer duration (Klerman & Leibowitz, 1994). This fact coupled with any costs associated with paid maternity leave may dissuade employers from offering a family leave and benefits plan.

Turnover

Turnover can cost an employer up to 150% of the salary of a departing employee, this can be exponentially higher for a highly skilled employee (Johnson, 1995). Fitz-enz (2000) defines those costs as being associated with the actual cost of the termination (staff time to process the termination), replacement (which may include recruitment and selection), the vacancy of the position and the productivity cost (for the training and learning curve of the newly hired employee). The next several paragraphs discuss the effects of family leave and benefit policies and provide data on the results of several studies.

Turnover occurs either before the mother returns to work or after returning to work. Those that do return do so for many reasons, they enjoy their work, they are committed to their organization or they cannot afford not to return. Many women return to work because they cannot financially afford to stay at home. The wages or potential wages a women would have received rather than staying at home are called opportunity costs (Desai & Waite, 1991). Desai and Waite (1991) suggest that as the opportunity cost increase so will the chances of returning to work (Desai & Waite, 1991). A study done in 1998

by Waldfogel “found that women were more likely to return to employers who provided leave coverage than those that did not” (Berger & Waldfogel, 2004: 334). This was also true for those employers that offered paid leave and leave for longer periods of time than the federally mandated leave. Berger and Waldfogel (2004) listed several factors that affect a woman’s decision whether or not to return to their job prior to going on leave. These include both economic and non-economic factors. The economic factors they list include: wages (pre-birth), job characteristics, wages (post-birth), and her family financial situation and need (Berger & Waldfogel, 2004). Other economic factors may include other benefits such as medical, dental, tuition, life insurance, disability and paid time off. Non-economic factors they list include her child care preferences (self or outside the home) and feeding preferences (Berger & Waldfogel, 2004). Other non-economic factors may include a woman’s age, marital status, level of education, the health of the newborn and the health of the mother. The study done by Berger and Waldfogel (2004) found a correlation with leave policies and the behavior exhibited by new mothers and their behavior when determining when and if to return to work. The authors, using a model developed by Klerman and Leibowitz (1989b), state the obvious, that the decision of how long the leave will be and if it will be paid is determined by the employer or public policy, but they go on to say that it is the policies or benefits offered are factors in whether or not the employee on leave returns to work at all (Berger and Waldfogel, 2004). The authors also stated that when a woman is given leave she is most likely to return to her current job, rather than look for a new one, because “she will typically receive a higher wage by returning to her pre-birth employer than she would by seeking new employment” (Berger and Waldfogel, 2004: 336). The authors examined the relationship between leave coverage and employment decisions by examining data from the National Longitudinal Survey of Youth (Berger and Waldfogel, 2004). The overall results of the study done by Berger and Waldfogel (2004) “provide evidence that women who have

maternity leave coverage at their pre-birth jobs are more likely to take a leave of 6 to 12 weeks post birth, but less likely to take a leave that extends beyond 12 weeks” (Berger & Waldfogel, 2004: 346). The conclusion suggests that leave coverage may affect women’s behaviors; therefore there may be a correlation between leave coverage offered and the decision to return to work.

Employees that are new or even seasoned parents and leave their jobs may have experienced conflict between their family and work lives. Employees who are faced with work-family conflict are three times more likely to consider leaving their jobs (Johnson, 1995). Pleck, Staines and Lang (1980) in the 1977 Quality of Employment Survey found that where there was work/family conflict employees had both a lower level of satisfaction in both their family life and in their jobs (Pleck, Staines, & Lang, 1980). They noted that the conflict was not with whether or not they were at work but had to do with how the work was scheduled (Pleck et al., 1980). Seyler et al. (2005) suggest that when employees who have work-family conflict, which may create stress, and that conflict is alleviated by family benefit programs the employee may be more likely to remain with that employer.

The study done by Shore and Tetrick (1991) suggested that employees develop levels of commitment based on the their perception of how committed their organization is to them. Deitch and Huffman (2001) point out in their chapter that those employers that invest in their employees, through training and succession planning, are more likely to have a workforce comprised of highly-skilled employees that are paid at higher rates and therefore likely to be concerned about turnover rates. They, therefore, suggest that these employers are more likely to offer benefits packages to remain competitive and keep their existing employees (Deitch & Huffman, 2001).

Appelbaum and Milkman (2011) found that workers using California’s paid family leave program were more likely to return to their same

employer. They found that workers in low-quality positions (workers that make less than \$20 per hour and may not receive paid medical insurance) were almost 10 percent more likely to return to their same employer (Appelbaum & Milkman, 2011). An astonishing 95 percent (and higher) of those employees that took leave under the program returned to work and 80 percent returned to their same employer (Appelbaum & Milkman, 2011). However, Appelbaum and Milkman (2011) found that those returning to the same employer was highest in the high-quality jobs (those that make more than \$20 and receive medical insurance) that did not take leave under the paid family leave program, the authors credit this to the fact that their employers most likely offer a family leave and benefit package that exceeds what they would have received under PFL (receiving full pay from their employers while on leave). The paid family leave program gave workers on leave the opportunity to take the time to adequately search for and find child care, Appelbaum and Milkman (2011) suggest this is one reason why those employees on leave returned to their same employer. The authors conclude that the paid family leave program is a significant benefit for employers to retain employees, this is especially true for those employers who financially cannot fund a family leave program on their own (Appelbaum & Milkman, 2011).

Glass and Estes (1996) hypothesized that workplace support structure, including family responsive policies and social support from peers and supervisors, will leave to lower turnover rates. They found that supportive peers and supervisors paired with the ability to work from home decreased the probability of mothers' leaving their employment (Glass & Estes, 1996). They also found that providing sick leave significantly decreased the odds of the intention for mothers' to leave their jobs (Glass & Estes, 1996). In terms of making job accommodations including the ability to work from home, work a reduced schedule and work non-traditional house the authors found no effects of these factors on a mothers' decision to quit (Glass & Estes, 1996).

Accommodations and providing leave policies are characteristics of commitment based organizations. Commitment based organizations both value and invest in the training of their employees. Klerman and Leibowitz (1994) relate this to leave policies as those employers are more likely to provide leave to those employees they have made a training investment in. Therefore correlating the different human resource functions of training and compensation should both effect job performance and reduce the cost of recruitment and selection.

Evidence exists that in tight labor markets employers are "more likely to adopt maternity leave and other family benefits" (Kelly & Dobbin, 1999: 473). In fact Kelly and Dobbin (1999) hypothesized that in areas with low and/or declining unemployment rates employers are more likely to implement family leave. This is especially true in industries that are composed of professional and managerial employees according to Glass and Fujimoto (1995).

In terms of return to work polices, work place flexibility options appear to be the most researched and most prevalent. Flexibility has to do with giving an employee the opportunity to change their schedule or location where they work to manage their family responsibilities (Deitch & Huffman, 2001). Scheduling changes may include variable start times, days or shifts and location changes may include working from home or another employer location. Kropf (2001) studies the effectiveness of these types of arrangements in four different organizations. Long hours and unconventional work hours due to clients in other time zones created cultures that believed that conforming to these schedules were interpreted as being high performers (Kropf, 2001). Kropf (2001) found that forces including those legally imposed on the employer, situations that occurred internally, and advances in the technology the employees used to work compelled the organizations to start creating flexible working arrangements. The study revealed that the flexible work arrangements that the employers offered were the sole reason the employees remained with that organization

(Kropf, 2001). Kropf (2001) also found that the type of industry affected the probability a flexible work policy would be implemented. For example, in the professional organizations that she surveyed where hours worked translates into profitability the flexible work arrangements were not able to be offered with any success (Kropf, 2001).

Employee Performance

Job or employee performance is a broad term that has different methods of measurement depending upon the industry, organization, and the individual's job responsibilities. For example, you would not measure the performance of a production manager the same as a production operator. Therefore, leave and benefit plans will have different effects on the performance of these various types of employees. This may be why there reason that there is little evidence or few case studies that show a direct relationship of family leave and benefits on performance.

Pleck, Staines, and Lang (1980) reported several reasons for work family conflict including: mentally and physically draining/demanding work, unconventional schedules (particularly shift work), exorbitant work hours (including recurrent overtime), and the inability for change in the work schedule (including taking time off for personal matters) (Pleck et al., 1980). Parents faced with fear about losing their jobs due to leave policies and inflexible work schedules can create anxiety which has the potential to spill over into their performance. Johnson (1995) echoed this in her article stating (through a study completed by St. Paul Companies) that employees with work and personal life conflict had a higher probability of making mistakes at work. Productivity, Seyler et al. (2005) suggest, is negatively affected by the stress created by work-family conflict. The authors found in their survey of 178 employers that those employers with a large number of employees who would need and use the benefits would improve their performance as a result of the employer providing family benefits (Seyler et al., 1995).

The paid family leave in California allows workers to take leave to bond with children and to arrange child care. Appelbaum and Milkman (2011) found that 72 percent of workers classified in low-quality jobs reported a "positive effect on their ability to arrange child care", this is a significant increase compared to the 49 percent who did not utilize paid family (Appelbaum & Milkman, 2011: 5). Breakdowns in scheduled child care are shown to be linked to higher levels of absenteeism and a lower concentration at work (Johnson, 1995). Therefore, one can deduce that workers who are not distracted by their child care arrangements are both at work more often and have the ability to concentrate on their tasks at hand potentially increasing productivity or performance.

An article written by Johnson (1995) reveals the business case for work-family programs. She exhibited several statistics that reveal how work-family conflict has the potential to affect performance. More than half of working mothers have missed work to care for a sick child and thirty three percent of working mothers had a sick child in a one month period, according to workplace needs assessments (Johnson, 1995). More than half of those mothers missed work to care for that child, of those that didn't miss work, 49 percent went to work worrying about that sick child (Johnson, 1995).

Unfortunately much of the research on family leave and benefit policies on performance are founded and result in the possibilities and not necessarily proven conclusions. Therefore, for the purpose of this paper the evidence is strong in that these policies may have an effect on performance but there is little evidence to suggest a strong, tangible, correlation.

CONCLUSION

This paper explored three questions regarding family leave and benefit policies, specifically looking a whether or not they retain employees, affect employee performance and if they create a return on an organization's investment. The research posed here was grounded in the following propositions:

1. Conflicts between work and family life cause turnover and decrease job performance.
 - 1a. Family leave policies lead to affective attachment.
 - 1b. Family leave policies lead to increased employee attendance.
 - 1c. Family leave policies lead to increased performance.
2. Family leave policies lead to organizations with a higher-skilled workforce.
3. Return to work policies lead to decreased employee turnover.

Case studies to answer these propositions with measurable and tangible results are limited. Empirical research is needed to expand upon and substantiate the questions posed in the introduction. The analysis of turnover leads us to believe that propositions 1, 1a, and 3 are all true and supported. As stated earlier, as the opportunity cost increases for the individual as does the probability of that individual both returning to work and staying at that job. Researchers have also found a correlation between family leave policies and an individual's behavior in determining whether or not to return to work. The creation and implementation of family leave policies creates an affective attachment between the employee and their organization. The potential decrease in work and family conflict may increase job or employer satisfaction potentially increasing retention.

If employers are facing high turnover of their female employees due to work/family conflict and have a vested interest to keep them they must be innovative in determining ways to implement family leave and benefit policies. Return to work policies including flexible schedules and supplemented child care may lead to support propositions 1b and 2. Employee attendance may be impacted if an employees' child is sick. Flexible work schedules allow parents to work alternate schedules or work from home in order to both attend to family issues and manage their family responsibilities. These innovations are rare but the emerging practices give employers a

competitive edge in recruiting. Those employers seeking highly skilled individuals may have to compete to gain that talent and offering generous return to work benefits may be enough to provide the extra push for that individual to choose one employer over the other.

Workloads are not likely to decrease and employers implementing generous family leave benefits and return to work policies are rare. Advocates of family leave and benefits have a vast knowledge base for the argument to implement further legislation. Aside from the business case there are also many social aspects including the well-being of children, families and society (Trzcinski & Finn-Stevenson, 1991). When a child is introduced into a family significant change occurs, physically and mentally. Obviously, women who give birth have to physically recover, especially with a cesarean section which is considered major surgery. Major adjustments occur when a child is introduced into a family and parents need time to cope with those adjustments (Grant et al., 2005; Trzcinski & Finn-Stevenson, 1991). A lack of time to adjust along with financial obligations can cause extreme stress on parents. A lack of time can also affect the well-being of the new child (Trzcinski & Finn-Stevenson, 1991). As the number of working mothers and non-traditional families increase in the workplace there is an impact of family leave and benefit policies. In order for businesses to make changes to family leave and benefit policies, without the passing and enforcement of federal and state laws, they must be convinced they are implementing these policies not for social justice and morale but in order for their business to be more productive.

Appelbaum and Milkman (2011) suggest several reasons why California's PFL program is beneficial to employers and employees. The program, however, was not fully utilized in the study done by the authors. They found that only half of those workers surveyed were aware the program existed, others were covered by full replacement of wages by their employer and a small percentage of workers were aware of the program's existence but for some reason believed

they were not eligible for the benefit (Appelbaum & Milkman, 2011). The last group of workers that did not take leave under the PFL program were aware of its existence and knew they were eligible, this small group revealed some surprising reasons for not applying for leave. Appelbaum and Milkman (2011) revealed that the reasons were linked to consequences with the workers employment which are: that their employer would be unhappy with them if they took leave, that taking leave would hinder their opportunities for advancement, and that they would be terminated if they took leave (Appelbaum & Milkman, 2011). These reasons suggest that even if an employer or state offer family leave and benefits they may not be fully utilized do to a perception by the employees as to the consequences for taking leave.

Opponents of family and benefit leave programs, whether employer sponsored, state mandated or federally required, argue the financial burden it would play on employers. Case studies, such as the once completed by Appelbaum and Milkman (2011), are beginning to empirically show that these programs either have no effect or positive effects on the performance, profit and productivity on businesses. They also found that not only lack of negative effect but the potential to save employers money through the replacement of benefits they would have otherwise paid for, including those employees that would take sick or vacation time in order to be paid while on leave.

Further researched is needed to understand and support whether or not legislation is needed for implementation of policies. Looking at other nations, including those mentioned in this paper may help to start identifying ways the United States can move forward to address the growing needs of working families. It may be beneficial to essentially copy what other industrialized nations are doing. The implementation of more substantial leave and benefit policies can increase the number of working mothers and has the potential to increase the overall health of employees and their families in the United States.

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