IBI Presents

PAID PARENTAL LEAVE: ONE SIZE DOESN’T FIT ALL
SILICON VALLEY REGIONAL MEETING, JANUARY 18, 2017

On January 18, the Integrated Benefits Institute (IBI) gathered a panel of Human Resource executives from Facebook, Adobe and Intuit to share their differing perspectives and experiences designing, implementing and evaluating Paid Parental Leave (PPL) policies. The three Silicon Valley companies are on the cutting edge of PPL, which was once considered a boutique policy but has lately been widely covered in the national news.

Introduction

Recent years have seen ever-increasing media buzz surrounding the hot topic of PPL, as tech companies such as Netflix and Twitter announced their respective PPL policies and leaders in the finance sector such as Bank of America have done the same. Other events have spiked media attention and pushed the conversation to the national stage as well. In 2012, Yahoo! hired CEO Marissa Mayer, who was pregnant at the time, and promptly revised Yahoo!’s PPL policies. The following year, Facebook COO Sheryl Sandberg published Lean In, which urged women to remain in the workforce while raising a family. Government action, too, has elevated this issue, when in 2014, the White House Summit on Working Families built national momentum towards establishing key policy goals.

Although PPL remains top of mind for Human Resource executives and policy-makers, there’s a dearth of “best-in-practice” guidelines for this burgeoning issue. Through IBI’s lively panel discussion, the audience of Human Resource and benefits professionals learned that there’s no right answer when it comes to PPL, and listening to unique business and employee needs is the best way to hone in on the right fit for your company. Organizations may be inspired by high-profile media announcements about the benefits offered by competitors, but panelists stressed the importance of individualizing and shaping policies to fulfill the range of needs that exist within a given company.

Different Approaches

PPL was clearly a priority for each of the companies represented on the panel. How each company designed their PPL policy, however, differed greatly. Currently, one company asks employees to identify as a primary or secondary caregiver, with a sliding scale of leave time based on their classification. Another company allows employees to use their PPL consecutively with other paid time off benefits, including a six-month sabbatical, enabling employees to take off as much as a year consecutively.

The PPL policies of Facebook, Inuit and Adobe, which offer from two to six months of leave depending on a variety of factors, were developed and refined based on employee feedback through surveys and focus groups. Facebook Life@ Program Manager Amber Pilgrim shared that the company’s last benefits survey yielded over 10K write-in responses. Clearly, employees are passionate and opinionated when it comes to the benefits offered to them.
Engaging both women and men to take leave was a priority for all three companies. While Robin Wilson, Senior Global Leaves & Workers Comp Program Manager at Intuit, shared that 65% of those taking leave at Intuit are male, Rosemary Arriada-Keiper, Senior Director of Global Benefits at Adobe, said that, despite their efforts, only 2% of those taking primary caregiver leave at Adobe were male (in a 5-month time frame). Pilgrim noted that those in leadership roles set the cultural tone of the company. She pointed to Facebook founder and CEO, Mark Zuckerberg, who took two months of parental leave, as well as others at the company who have been open and encouraging about everyone taking leave that is available to them.

**Facing Challenges**

While the companies on the panel shared the goal of easing the return to work for parents who have taken leave, the panelists made sure to note that administering PPL was not without its challenges. Arriada-Keiper emphasized the importance of a formal reintegration plan to ease the transition back to work. The reintegration, in some cases, could be eased by employees staying connected during their leave, maintaining access to their phone and computer. Pilgrim said Facebook highly encourages their employees to disconnect while on leave, but also suggests that they discuss with a manager how frequently and for what purposes they want to be updated about the organization. Without occasional updates, integrating back into a high-tempo tech industry workplace may prove even more difficult, particularly in a company that faces constant organizational change, new reporting relationships, and new products or services requiring support.

While IBI interviews with HR executives at 15 tech firms suggest that PPL causes little business interference, the panelists described how the practicalities of PPL can sometimes create frustrations and result in unintended consequences. Compensating for employees in sales positions or other roles that require a personal relationship with clients proved to be an ongoing challenge. One panelist noted that, on occasion, leaves can place unintended strain on management and team members. Although employers do their best to fill in the gaps, some employees may feel frustrated if they need to compensate for those who are out on leave.

**Measuring Success**

The panelists also highlighted the importance of measuring the success of their PPL policies. Arriada-Keiper measured the success of Adobe’s programs by tracking employee attrition for the two years following the use of PPL. Measuring the use of PPL presents logistical difficulties, often because employees do not take their leaves consecutively, instead pacing their leave over the course of the allotted time. Wilson offered one possible solution: Intuit, along with their third-party administer, has developed a maternity leave planning tool so that they can view the leave programs for which the employee is eligible.

**An Audience of Experts**

After hearing from the panelists, the audience broke into groups to discuss the nuances of designing and implementing leave policies at their own companies. The breakout groups mainly focused on the challenges faced when designing PPL guidelines that must meet the diverse needs of a large workforce. For example, several groups discussed how they implemented generalized leave policies at global companies which run offices in jurisdictions with differing legislation. Many cited San Francisco’s expansive PPL legislation as the driving factor for company-wide policy revisions.

Circumstances beyond conventional leave, such as foster parent leave and infertility benefits, dominated the group discussions. The audience pondered how to address the increasing presence of millennials in the workforce, who seem to be having children later in their careers. Others discussed how leave policies can best serve employers who have a workforce with an average age of 45 years old. Strategies to ensure fairness among employees who do not have children or who have older children were a common theme. Some audience
members shared their experience developing PPL policies for hourly and salaried employees alike, and how they have handled PPL at organizations which otherwise offer unlimited paid time off. One group discussed strategies for harmonizing leave benefits after companies with disparate leave offerings go through a merger. With so many variables at play, each representative who spoke shared a different strategy, reinforcing the notion that PPL does not have a one-size-fits-all solution.

**The Bigger Picture for Workforce Management**

The event left attendees with thought-provoking questions about next steps: How can companies comply with local laws? Can more inclusive family leave, rather than traditional parental leave, solve the issue of fairness? Tech companies are frequently generous beyond other employers—what are the implications for industries such as manufacturing, healthcare and hospitals? Are there continued unmet needs in America’s workforce?

The panelists, as well as IBI's PPL report, emphasized the importance of organizations embracing these policies rather than simply instituting them. Managers and supervisors must ease return-to-work transitions. Executives must provide struggling teams with the resources to make do when an employee is out on leave. Without this organizational culture, policies will not function as intended.

Wrapping up the event, IBI Research Director Brian Gifford emphasized that PPL is just one of several issues to emerge as workforces become less traditional. The aging workforce will bring with it one set of challenges for management as valuable workers may need more time off for health reasons. Other changes such as telecommuting, flexible scheduling and other non-traditional work arrangements present both challenges and opportunities. Gifford encouraged attendees to continue the dialogue surrounding these important policies. While there fails to be “best-in-practice” guidelines, the audience’s eagerness to share their experiences and ideas bodes well for the PPL policies of the future.