RESEARCH REPORT

Employers, Work-Family Supports, and Low-Wage Workers

Alexandra Stanczyk  Shirley Adelstein  Eleanor Lauderback  Gina Adams

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Executive Summary

Employers shape the work conditions parents face, and they play a central role in policy debates about how to address work-family pressures. Because employer voices are so important, this report presents findings from interviews with 16 organizations that represent or directly work with employers to understand employer perspectives on these issues. Focusing on three policy areas central to parents’ ability to manage work and family—paid leave, workplace flexibility and control, and child care—we explored three research questions:

1. What are employers’ perceived motivations and barriers for providing work-family supports to low-wage workers?
2. What role do employers see for public policy or employer policy in each area?
3. How do employers think about relationships between different work-family supports and other benefits they might provide low-wage workers?

Speaking with employer organizations allowed us to gather broad perspectives from various employer types (e.g., different size, industry, and geography) within the scope of this exploratory study. But our findings are not based on direct conversations with employers. Furthermore, respondents could not speak as directly to all employers’ on-the-ground experiences, and some responses may have represented organizational political positions. Nonetheless, this research provides insights for discussions about work-family policy, especially by examining the employer perspective on both public and employer-provided policies.

Key Findings

What Are Employers’ Perceived Motivations and Barriers for Providing Work-Family Supports to Low-Wage Workers?

- Employers understand work-family issues are important. Respondents reported that employers see the value of work-family supports both to their employees and to their businesses.

- Employers have both business-based and values-based motivations for providing supports around paid leave, workplace flexibility and control, and child care. Employers’ motivations, as described by respondents, include addressing recruitment and retention challenges,
improving employee morale and productivity, addressing absenteeism and last-minute scheduling adjustments, and values-based motivations (i.e., the perception that most employers care about employee well-being and want to do right by their workers).

- **Tight labor market conditions may increase employer interest in providing work-family supports.** Although employers cite various motivations for providing work-family supports, our respondents reported that labor market conditions that affect competition for talent are important factors, as employers weigh the costs and benefits of action.

- **Employers broadly express concerns about costs and compliance, but they are willing to bear some costs.** Respondents described complex costs associated with both employer and public policy provision of work-family supports and reported that employers are generally wary of government intervention. But in contrast to public statements from some employer groups, employers are willing to absorb some costs to provide benefits they see as valuable for business.

- **Employers may have misperceptions about the costs of work-family supports and the full range of supports they could offer.** Respondents often seemed to have in mind the most costly supports (e.g., on-site child care or an employer-funded paid leave program) or did not seem to understand the cost implications of certain policies.

### What Role Do Employers See for Public Policy or Employer Policy?

- **There was no area—child care, paid leave, or workplace flexibility—in which respondents universally saw no role for employers or public policy, but there was variation in how these roles were viewed across policy areas.** Descriptions of the employer role tended to fall into one of two categories. A “primary” role included either feeling responsible for providing a given support directly or believing that employers are the best-positioned entities to provide a given support. A “secondary” role included seeing an employer’s interest in ensuring access to the given support for workers but not necessarily seeing the employer as having the main responsibility or expertise to provide the support.

- **Respondents reported that employers see a primary role for public policy around paid leave and child care, and they see a primary role for employers around paid leave and scheduling.** We did not ask respondents to reflect on the political status of these issue areas, but this pattern seemed to map onto the level of current public policy debate about the employer role in each policy area. This suggests that attitudes may shift as the policy landscape evolves.
There is more nuance and complexity in employers’ positions—and greater openness to government action—than public discourse would suggest. There is more common ground between employer needs and worker needs than is evident in the public, somewhat polarized, debate about paid leave, workplace flexibility and control, and child care.

Fear of public backlash might make employer groups reluctant to advocate publicly for policies they would actually support. More so than paid leave and scheduling policies, employers see child care as a social good and envision a more robust role for public policy in ensuring access. Nevertheless, respondents told us that employers are cognizant of their reputations and might worry about how their support for public programs may be interpreted.

Some respondents lacked information on the details of proposed or enacted public policies. We heard concerns about one-size-fits-all scheduling laws, though all laws enacted to date have focused on specific industries. Further outreach to employers and employer-representing organizations could strengthen understanding or support in specific policy areas.

How Do Employers Think about Relationships between Different Work-Family Supports and Other Benefits They Might Provide Low-Wage Workers?

Respondents described workplace benefits working together as “packages” but noted that in practice, there are trade-offs because of costs and operational needs. Depending on their workforce composition and business model, employers might prioritize other benefits (e.g., training or tuition assistance) over providing more-costly work-family supports or might feel able to provide only limited or select supports.

Employers often see scheduling and leave practices as their primary lever for addressing low-wage workers’ child care challenges. Respondents told us that employers tend to feel ill-equipped to provide child care, perceive child care benefits as costly, and understand child care as a social good that is more of a public responsibility. As a result, workplace flexibility and control and paid leave are seen as more appropriate tools to help employees address child care challenges.

Several respondents perceived work-family supports to be more widespread for low-wage workers than data show them to be. Several respondents reported the employers they work with are “doing a lot” to expand paid leave access among their low-wage workforces. Yet, research shows that access to work-family benefits is limited for low-wage workers. This
suggests that our respondents may not fully understand the needs of their employers’ workforces.

Considerations for Policy and Research

Given the exploratory nature of this research, the results do not point to specific policy recommendations. But our findings suggest considerations that could inform future policy and research.

- **Employers may need more information to understand issues facing their workforces and the options available to address these issues.** There are varying perspectives on the best ways to provide paid leave, workplace flexibility and control, and child care, but there is broad consensus that these supports are valuable. Employers could benefit from more systematic assessment of work-family challenges to better understand workforce needs and from more information on the policy options they should consider to better support workers.

- **Employer perspectives could evolve with more information on, experience with, and public attention to different approaches to address these work-family challenges.** Respondents portrayed employer perspectives on their role relative to public policy as different across policy areas. Employer support to expand access to work-family supports might evolve as public discourse increases, policies expand on key issues, and employers experience them firsthand.

- **Employer costs vary, but public policy could help address them without excluding workers from benefits.** Concerns about the costs of providing public or employer-sponsored work-family supports are real. But employers might be willing to absorb some costs associated with supports that they see as benefiting business. Exploring how public policy could take employer costs seriously and address costs without excluding certain parts of the workforce could address work-family challenges without excluding workers from coverage.

- **More research, knowledge, and innovation could inform cross-domain policy design.** Employers, researchers, policymakers, and advocates tend to think of work-family supports in silos. Further research is needed to understand how both public and employer-based policies related to paid leave, workplace flexibility, and child care can be designed strategically and in an integrated fashion.
Employers, Work-Family Supports, and Low-Wage Workers

The landscape of work and family in the United States has shifted. Most families with children rely on either two working parents or a single working mother.\(^1\) More parents than ever must juggle work and child care demands. Doing so effectively can be especially difficult for low-wage workers because they tend to have jobs with few benefits, often lack stable and predictable schedules, and have less income to pay for work-family supports themselves (Winston 2014). These challenges are important not only for families but for employers as they contend with the business impacts of employees struggling to manage work and caregiving (Fuller and Raman 2019).

Employers shape the work conditions parents face, and they play a central role in policy debates about how to address work-family pressures. Because employer voices are so important, this report presents findings from interviews with 16 organizations that represent or directly work with employers to understand employer perspectives on these issues. Speaking with employer organizations allowed us to gather perspectives from various employer types (e.g., different size, industry, and geography) within the scope of this exploratory study. But our findings are not based on direct conversations with employers. This approach has both benefits and limitations (box 1).

We focus on work-family supports that are central to working parents’ ability to manage work and family: paid leave, workplace flexibility and control, and child care support. In addition to understanding employer perspectives, we examined how employers think about these areas together—for example, as complements, as substitutes, or as unrelated benefits.

Our research explores how employers think about key work-family policies, focusing on low-wage workers—frontline workers who work in less-skilled jobs and are often at the low end of the wage scale—and including both employer and public policies. Policy debates about supports for managing work and family often frame employer and employee needs as being in tension or focus on limited aspects of employer perspectives, such as concerns over the costs of new programs. This report goes beyond these traditional questions to explore the nuances of employer perspectives and does so by examining three questions:

1. What are employers’ perceived motivations and barriers for providing work-family supports to low-wage workers, specifically in the areas of paid leave, workplace flexibility and control, and child care?
2. What role do employers see for public policy or employer policy in each area?

3. How do employers think about relationships between different work-family supports and other benefits they might provide low-wage workers?

Where possible, we explore variation in the answers to these questions related to type of worker (e.g., occupation, full-time versus part-time status), industry, or employer size.

Prior research on employer perspectives related to work-family supports provides initial insights. For example, research suggests that employers adopt work-family benefits for various reasons, including symbolic reasons (e.g., trying to keep in line with the larger industry) and practical reasons (e.g., reducing turnover, competing for talent, improving company culture, or complying with legal regulations or mandates) (Bloomberg BNA 2016; Goodstein 1994; Kossek and Friede 2006; Matos, Galinsky, and Bond 2017; Osterman 1995; Scott and Spievack 2019; Stroman et al. 2017). Furthermore, some employers report advantages to providing work-family supports for all employees (Matos, Galinsky, and Bond 2017), while others perceive the value of doing so as greater for high-paid workers who tend to have high-skilled jobs (Appelbaum et al. 2005). Research also suggests that employers face barriers to providing these supports, such as managing costs and workflow and concerns about legal compliance (Goodstein 1994; Matos, Galinsky, and Bond 2017).

Though our research is exploratory and designed to inform future work, it advances existing research in several ways. Much of the literature about employer perspectives is based on employer surveys or studies of individual employer practices or interventions. Additionally, though there have been a few studies on employer perceptions of state or local paid leave laws (Appelbaum and Milkman 2011; Bartel et al. 2017; Waters Boots, Martinson, and Danziger 2009), there is less research on employer perspectives of work-family public policies in general. Finally, the bulk of existing research on work-family issues focuses disproportionately on high-wage, professional workers (French and Agars 2018). Our research explores perceptions of both employer action and public policies related to work-family issues, focusing on low-wage workers. We also examine these issues from the perspective of organizations that represent employer interests or work directly with employers.
BOX 1
Our Approach: Why Talk to Employer Groups?

To gather perspectives from different types of employers, we interviewed representatives who play different roles in organizations that vary in focus, industry, geography, and political orientation. We pursued this approach, which is distinct from talking to individual employers, with two things in mind: (1) we wanted to broadly explore how employer perspectives varied across important dimensions of employer difference characteristics, and (2) this exploratory study allowed time and scope for only a limited number of interviews.

We worked with experts in the work-family field to develop our approach and identify its strengths and limitations. The strengths included the opportunity to get a birds-eye view of employer perspectives by speaking with people who work with many employers on a regular basis. Additionally, some employer groups are publicly influential on work-family policy issues, and we sought to obtain more nuanced perspectives than may be evident from public statements.

But speaking to people who represent or work with employers, rather than employers themselves, presented limitations. A key concern was that employer groups—particularly those that represent employers in political debates—might not always speak to the full range of employer experiences. Additionally, some responses may have been shaped by the organization’s public stance on these issues, especially when discussing such issues as paid leave and scheduling issues.

We took two approaches to address these issues and did our best to collect information that authentically represents diverse employer perspectives:

- We spoke to many employer groups—including national and local groups, groups that were and were not industry-specific, groups representing the human resources and the operations perspective, groups that represent employers in political conversations, and groups that work in a consulting capacity—and mainstream and “alternative” employer representatives across the political spectrum. Additionally, our respondents included those who worked in different roles within their organizations. Themes from these conversations were surprisingly consistent.

- To check that study findings resonated with employers, seven employers representing various industries and employer sizes provided feedback on an early version of this report. By and large, reviewers reported that study findings aligned with their experiences and the experiences of their firms.

For more details on the interviews and employer feedback, see the appendix.

We present findings from interviews with representatives who play different roles in employer-oriented organizations that vary in size, industry, geographic focus, and political orientation. All the organizations either represent or work directly with employers. Our respondents included chambers of
commerce, industry associations, small-business groups, and human resources and management consultancies. When recruiting industry groups, we targeted those with higher or growing shares of low-wage workers (box 1): accommodations and food services; health care and social assistance; nursing and residential care facilities; retail trade; and truck transportation. As part of our interviews, we asked respondents how the employers they work with learn about the work-family challenges of low-wage workers. Among the respondents who answered this question, the answers varied from formal exit procedures to more informal communication (box 2).

BOX 2
How Do Employers Learn about the Work-Family Challenges of Their Low-Wage Workers?

We asked respondents how employers learn about the work-family challenges their low-wage workers experience. Prior research has reported that many employers lack human resources analytics capabilities and struggle to assess employee needs and the true costs of addressing them through benefits. One recent study found that though nearly three-quarters of employees have caregiving responsibilities, more than half of employers do not measure caregiving in their workforce.

Among the subset of respondents who responded to the question, employee surveys were the most common method used by the employers they worked with, and large firms were more likely to have the capacity to take this approach. Respondents also mentioned several other information sources:

- exit interviews
- focus groups with employees and managers
- suggestion boxes
- outside research

Finally, several respondents highlighted the important role of direct contact with employees as a source of information on work-family challenges, especially in small firms. One respondent said that when workers in small businesses face work-family challenges, they “go straight to [the employer]. Owners wear many hats, there is usually no HR department or office manager, so they deal with it directly.”

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The remainder of this report describes our research approach and findings. We begin with an overview of how we have defined “work-family supports.” Next, we present findings from our interviews related to each of the three focal policy areas, as well as findings related to perceived relationships among these areas. We conclude with a discussion of broader considerations for policy and research.

What Are Work-Family Supports?

There is no commonly accepted definition of “work-family” or “work-life” supports (Grzywacz and Carlson 2007). We define these supports to mean programs or policies—provided through either employers or public policy—that help workers manage work and nonwork responsibilities. Workers might face a wide range of nonwork responsibilities, such as caring for elders or other life demands, but our emphasis is on family responsibilities among workers with children.

We focus on three specific supports: paid leave, workplace flexibility and control, and support for child care. These three areas are fundamental to parents’ ability to negotiate work and parenting (Adelstein and Peters 2019). Supports in these areas play an important role, and for most families, they are inextricably interrelated in managing work and family. They also help parents manage competing time demands and responsibilities. Research shows that majorities of men and women report experiencing “time famine”—the feeling that they do not have enough time to care for themselves or their families (Matos and Galinsky 2011). Programs and policies that provide working parents paid time off from work (paid leave), the ability to match work schedules to life demands (workplace flexibility and control), and resources to ensure their children are cared for while they are working (child care support) are all central to addressing this.

These three policy areas include several benefits and services (table 1). Supports can come from different sources, including public policy and employer policy. Public and employer policies can be connected (they could be substitutes, or public policy can provide a floor and fill in for groups that do not generally receive employer benefits). Further, even publicly provided benefits, such as state paid family leave programs, might rely on employer contributions or require employer policies to ensure compliance.

When public or employer supports are not adequate or available, families often rely on personal resources such as income, savings, and help from family, friends, and neighbors (Vogtman and Schulman 2016). Table 1 summarizes examples of key public and employer policies in each area, with additional
detail provided in the findings for each area. Whether these policies meet family needs and enable parents to be effective as both workers and caregivers depends on both policy design (e.g., eligibility criteria and benefit levels) and policy implementation (e.g., awareness among workers and compliance among employers).

TABLE 1
Examples of Public and Employer Work-Family Supports
*Paid leave, workplace flexibility and control, and support for child care*

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Public policy examples</th>
<th>Employer policy examples</th>
</tr>
</thead>
</table>
| **Paid leave**
  *Paid time off from work*                      | - Paid family and medical leave laws  
  - Paid sick and safe leave laws  
  - Paid school-related leave laws            | - Paid leave for flexible purposes (e.g., paid time off)  
  - Paid leave for specific purposes (e.g., sick leave, family leave)  
  - Leave banks and transfer programs  
  - Advanced leave |
| **Workplace flexibility and control**            | - Fair scheduling and work week laws (providing greater predictability, stability, input, or flexibility for employees)  
  - “Right to request” flexibility laws      | - Flexible schedules  
  - Telework  
  - Job sharing  
  - Predictable scheduling  
  - Stable scheduling  
  - Shift swapping  
  - Gradual return to work  
  - Guaranteed work hours |
| **Support for child care**                       | - Child care subsidies for low-income families  
  - Public early care and education programs (universal and targeted)  
  - Child care resource and referral  
  - Child and dependent care tax credit       | - Child care subsidies  
  - Child care resource and referral  
  - Dependent care flexible spending accounts  
  - On- or near-site child care               |

Source: Authors’ analysis.

When we asked about employer perspectives on public policy around paid leave, workplace flexibility and control, and child care, we asked general questions, not focusing on any specific policy or proposal. We provided clarification as needed to make sure respondents understood what we were asking, but we sought to understand how employers and those who work with them think about these policy issues without priming them to think about a specific law or policy.
What Does Research Show about Employer Provision of Work-Family Supports?

This report presents findings from interviews with people at organizations that represent or directly work with employers, including their perceptions of employers’ motivations or barriers for providing work-family supports. It can be helpful to consider their views alongside research on the prevalence of different supports to provide context for this discussion.

National employer surveys generally show that employers are more likely to offer some supports than others, but in some areas, there is evidence that high-paid, professional, and full-time workers have the most access to most benefits.

- **Paid leave.** The National Compensation Survey found that in 2018, 27 percent of workers in the top 25 percent of earners had access to paid family leave, whereas only 7 percent of workers in the bottom 25 percent of earners had access to this form of paid leave. Access to paid sick leave was higher, but significant disparities persist: 90 percent of the highest earners had access, but only 45 percent of the lowest earners had access.

- **Workplace flexibility and control.** The National Compensation Survey also found that only 7 percent of workers have access to a “flexible workplace,” most of them in the top 10 percent of earners. Looking at scheduling practices that are especially relevant to many low-wage workers, the 2016 National Study of Employers found just one-third of employers allowed all or most employees to periodically change start and quitting times, and fewer allowed all or most employees to control overtime hours (21 percent) or to have choices over which shifts to work (10 percent).

- **Child care.** For child care, employers are generally more likely to offer low-cost supports. The 2016 National Study of Employers found that 41 percent of employers offered child care resource and referral services, but few offered help paying for child care (2 percent), emergency backup care (5 percent), or on- or near-site care (7 percent).

Similar patterns emerge from surveys of workers. Additionally, even when an employer policy exists, employees might not always be able to take advantage of it because of such barriers as management resistance or fear of retribution. These barriers are especially acute for workers in low-level, less-skilled jobs.

Emerging public policies have only begun to address these gaps. Though some states and localities have enacted laws related to paid family and medical leave, paid sick leave, and fair scheduling, there are no federal laws in these areas. And although there is a patchwork of potential supports to help families access affordable child care, access can be limited. Recent federal data show that only 15 percent of children eligible under federal rules receive a child care subsidy, 31 percent of eligible children have access to Head Start, and 12 percent of families with children benefit from the child and dependent tax credit.


Matos, Galinsky, and Bond, *National Study of Employers*.


Findings

Understanding the Context

To understand employer perspectives, it is important to first explore the context in which employers operate and how work-family supports fit within the broader challenges they face. Our interviews gave us insights in a few key areas.

First, employer perspectives on work-family challenges and supports among their low-wage workforce are just one part of how employers think about this segment of the workforce broadly. To understand this broader context, we asked about the biggest challenges employers face with respect to their low-wage employees in low-skilled jobs and what strategies employers take to address these challenges. The tight labor market and difficulty hiring and retaining workers with needed skills were, by far, the most common challenge. One respondent described “an absolute war for talent...even in the lowest-wage areas. We are still competing with other companies in those areas.”

Employers take various approaches to address this challenge and attract and retain qualified workers to fill low-wage, low-skilled positions. These strategies include investments in employee training and education, as well as changes to make jobs more attractive, such as increasing wages, providing bonuses, and developing career ladders and opportunities for advancement. Many respondents also mentioned employers increasing the generosity of work-family supports to promote recruitment and retention of low-wage workers, though this may be in part because it was the interview topic.

As this theme emerged, we asked how a change in labor market conditions might affect employers’ perspectives on increased supports. Respondents who considered this question reported that in slack labor market conditions, employers might feel more motivated to focus on business efficiencies or avoiding layoffs or hiring slowdowns rather than increasing or maintaining these supports for low-wage workers.

Although typically associated with high-wage, high-skilled workers, employers have expanded use of these approaches to low-wage workers, which has been motivated by hiring and retention challenges created by current labor market conditions. This labor market context promoted employers’ willingness to consider increased supports to their low-wage workers and was an important backdrop for our discussion of employers’ perspectives on work-family challenges and supports.
[It is] an absolute war for talent...even in the lowest-wage areas. We are still competing with other companies in those areas.
—Human resources professional and policy association representative

The second issue that became clear during our interviews is that work-family challenges were not among the biggest issues employers were concerned about for low-wage workers. Employers do not see work-family challenges as having a major negative impact on firms’ productivity or profitability. When respondents did note a link, it was between employees’ absenteeism and last-minute schedule adjustments and consequences for business operations, performance, and productivity.

Given that work-family challenges for low-wage workers did not rise to the top of employers’ concerns, respondents explained that any negative business impacts of work-family challenges were not a primary motivating force for employers. Instead, they suggested that work-family supports are motivated by a belief that these supports might make the employer’s firm more attractive to workers and could be solutions to recruitment and retention challenges. Here—and throughout this report—employer groups we spoke with might not represent the full range of employer experiences. Work-family challenges may have been more prominent if we had talked with respondents who had more direct contact with frontline workers, and some employers may feel strongly motivated by perceived negative business impacts of work-family challenges.

Below, we explore employers’ motivations and barriers for providing work-family supports, and perceptions of public policy, in the three focal areas. Employer perspectives likely differ based on employer characteristics such as size, industry, profit margin, and geography. In our interviews, we explored some of these differences, and we provide insights into the diversity of employer needs and perspectives.

Data from this study, however, do not provide systematic information on variation in employer perspectives across the many dimensions of employer difference. Additionally, employer perspectives across the three focal areas likely reflect the distinct evolution of public and employer policy in each area. For example, paid leave has been in the policy debate for several years, whereas attempts to increase flexibility and control for lower-wage workers are more recent. Where possible, we speculate on how the development of broader discourse in each area shapes study findings.
Understanding Employer and Public Roles

We asked respondents to reflect on the role of employers and public policy in relation to providing paid leave, workplace flexibility and control, and child care for low-wage workers. Broadly, we found no area in which respondents universally saw no role for either public policy or employers. Descriptions of employer and public roles tended to fall into one of two categories:

- A primary role includes either being responsible for providing a given support directly or being the best-positioned entity to provide a given support.
- A secondary role includes seeing an interest in ensuring access for workers but not necessarily seeing it as a responsibility or having the expertise to provide it.

Employers see the public role as primary for paid leave and child care, and they see the employer role as primary for paid leave and scheduling (table 2). For paid leave, respondents tended to view both employers and public policy as having a primary role in ensuring access. For workplace flexibility and control, respondents were more likely to report the employer role as primary and the public policy role as secondary. For child care, we observed the opposite pattern, with respondents seeing support for child care as primarily the role of public policy rather than employers.

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Perceived employer role</th>
<th>Perceived public policy role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid leave</td>
<td>Primary</td>
<td>Primary</td>
</tr>
<tr>
<td>Paid time off from work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workplace flexibility and control</td>
<td>Primary</td>
<td>Secondary</td>
</tr>
<tr>
<td>Flexibility and control over timing, amount, or place of work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support for child care</td>
<td>Secondary</td>
<td>Primary</td>
</tr>
<tr>
<td>Help finding, securing, or paying for child care</td>
<td></td>
<td></td>
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</tbody>
</table>

Source: Authors’ analysis.

Though we did not ask respondents to reflect on the political status of these issue areas, the pattern we observed seemed to map onto the level of current public policy debate about the employer role in each policy area. Most notably, the diffusion of paid leave policies is more advanced than the diffusion of scheduling policies. Eight states and the District of Columbia have paid family and medical leave laws, while 11 states, the District of Columbia, and more than 30 localities have laws for paid sick days. But only five cities and one state have enacted “fair scheduling” laws.
perspectives might be shaped in part by the political consensus around the need for public action on certain issues, as well as having experience managing specific laws.

**Paid Leave**

Paid leave policies provide workers paid time off from work. Employers can provide paid leave for flexible purposes or for specific purposes. Common types of leave include sick leave (for one’s own or a family member’s illness or doctor’s visits), family and medical leave (for birth or adoption or for one’s own or a family member’s serious health condition), or paid time off for holidays or vacation. Employers can also provide paid leave for a short-term health condition (e.g., injury, illness, disability, or pregnancy) through a temporary disability insurance policy. Often, employees accrue leave over time, and whether or how much leave can be earned depends on an employee’s status, such as job category, tenure, or full-versus part-time status.

Research shows that some types of employer-provided paid leave are more common than others (box 3). But high-wage, professional, and full-time employees are more likely to have access to all forms of paid leave. And even when leave is “provided” by a policy, workers—especially low-wage workers—sometimes face barriers to accessing it.

To provide more equitable access to paid leave, some states and localities have passed laws requiring employers to provide certain types of paid leave. These laws vary in terms of eligibility, generosity, and whether an employee has a right to return to his or her job after taking leave. Examples include laws requiring employers to provide paid sick leave, paid “safe leave” (for critical safety issues such as domestic violence), or paid school-related activities leave (NPWF 2017, 2019). Additionally, several states have passed or enacted publicly administered family and medical leave programs, most of them building on state temporary disability programs (Isaacs, Healy, and Peters 2017). Some policies require employers to administer paid leave and fully cover the costs (e.g., most paid sick day laws), while others are funded through mechanisms such as employee or employer payroll tax contributions and are administered by state governments (e.g., family and medical leave laws).

We asked about paid leave broadly to understand employers’ general perceptions of this issue and because the one-hour interviews did not allow time to explore differences across types of paid leave. We provided clarification as needed to make sure respondents understood what we were asking, but we sought to understand how employers and those who work with them think about these issues without priming them to think about a specific law or policy. Respondents may have had different types
of paid leave in mind during the conversations. We noted where respondents discussed a specific type of leave.

**EMPLOYER-PROVIDED SUPPORTS**

**Employers generally assume they have some responsibility and interest in providing employees paid leave, including employees in low-paid positions.** Respondents reported that employers see the need for paid leave among their workers and assume the employer should help address this need. One industry association representative explained, “Rarely have I seen companies that don’t want to give [their frontline workers] any [paid leave].” A local chamber representative echoed this sentiment: “[Paid leave is] just an expected piece of a benefits package, offered across the board to all levels of employees.” We did not probe on what type of paid leave (e.g., vacation, family, or sick leave) or the amount or terms of the leave employers thought they should provide.

Respondents also discussed the benefits and costs employers weigh as they consider developing or expanding paid leave for low-wage workers and those in low-skilled positions. They reported that employers see many benefits associated with providing paid leave to their low-wage workers, such as the following:

- Though not universal, most respondents described employers’ perceptions of paid leave as a tool to attract and retain good employees, helping **address recruitment and retention challenges**. Employers increasingly see paid leave as necessary to compete for workers. One industry association representative said, “[Employers] see [paid leave] as something to help attract and keep their workforce. That’s why I think in the past year, a ton of companies have been moving toward it. If you’re a [company] who doesn’t have it, you’re at a disadvantage because a lot of the big firms are offering it…. I think they are all looking at it as a necessity.”

- Employers believe that offering paid leave **improves employee engagement, workplace culture, morale, and productivity.**

- Employers are motivated to provide paid leave broadly out of a **desire to do right by their employees**. These values-based motivations can be especially strong in small businesses, where employees and employers interact closely. One industry association representative illustrated these motivations, highlighting the small-business experience. He described member employers as “family guys, especially the small businesses,” saying they “get close to [their employees], know their families, and know that a happy workforce means a good business.”
Two respondents mentioned that the employers they work with think of offering paid leave to their workforces broadly as a way to promote a positive image of the firm to the public (“being a socially responsible brand is important”).

Finally, one respondent noted that some employers’ interest in offering paid sick leave is motivated by an interest in minimizing the spread of illnesses in their workplace and encouraging sick workers to stay home.

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—Industry association representative

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Despite these benefits—and employers’ sense that they have a role in addressing the need for paid leave among their employees broadly—respondents noted that **employers experience many costs associated with offering paid leave, including and possibly especially among their low-wage workers**. These costs include the paid leave benefit, as well as costs associated with adjusting to the disruption in workflow and covering missed work. These respondents underlined that both costs are challenging: “This is always the strongest pushback [to employer-provided paid leave]. You hear from folks that they understand it is an important policy, but it is very expensive to pay people not to work. It’s two kinds of costs: you lose labor as well as paying the person to not be there.” They suggested that these costs can be especially difficult for small employers, who often operate with tighter profit margins and for whom even just a handful of employees out on leave can represent a major share of the workforce.

One management consultant said, “Companies often have constraints that people don’t know about. I worked with a firm that had three out of eight people on the team go on leave in one year; they took six to eight weeks paid leave. The CEO believed in paid leave so much that she paid them all but almost lost her business. It has real impacts on productivity.” Employers might see few benefits and feel costs more strongly when they think about providing paid leave to their low-wage workers, as employers might see these workers as less central to the success of the business. As one respondent put it, “[Given] the value of an hourly associate that is working 20 hours a week, to give them 10 days of paid
sick leave, that’s expensive.” Although we did not probe, in conversations around costs, respondents generally seemed to be thinking of paid family leave, the form of leave most present in policy conversations. Employer perceptions of costs for other forms of leave (e.g., vacation or sick leave) could differ.

You hear from folks that they understand it is an important policy, but it is very expensive to pay people not to work. It’s two kinds of costs: you lose labor as well as paying the person to not be there.
—Industry association representative

Considering these costs and benefits, almost all respondents reported that many of the employers they work with are expanding, or would like to expand, paid leave policies, including extending provision to low-wage and part-time employees. At the same time, many respondents emphasized the particular challenges small businesses face offering paid leave on their own. For these employers, workplace flexibility and control and informal unpaid leave are more affordable and feasible than a formal paid leave policy.

PUBLIC POLICY
Public paid leave policy has considerable momentum. California, New Jersey, New York, and Rhode Island recently implemented paid family leave programs, and three other states are slated to implement policies soon. Additionally, more states and localities are considering paid leave programs, and legislation to create a national paid family and medical leave program—the FAMILY Act—was introduced in each of the past four congressional sessions.3

We asked our respondents how employers are thinking about the role of public policy around paid leave for their low-wage workers, employer reactions to current and proposed policies, and what an ideal public paid leave policy would look like. They told us that although employers feel that employees should have access to paid leave, they have reservations about public paid leave policies. These reservations come in many forms:

- Reservations sometimes stemmed from a general distaste for government intervention. “Most of our guys are pretty conservative,” one respondent explained.
Many respondents talked about a general perception among employers that they are already “doing a lot” around paid leave, and so there is no need for public policy.

Another common theme was that employers value flexibility for themselves to align paid leave policies with their firm and workforce needs and are concerned about being asked to help fund a public paid leave policy (e.g., through a payroll tax to finance a public program) without having control over policy details.

Two respondents described a related concern: that publicly provided paid leave would reduce employers’ ability to use paid leave provision to compete for workers.

One respondent with expertise in small-business concerns reported that the employers she works with would be worried about costs that might be associated with a public paid leave policy, especially if the policy mandated that employers provide paid leave without help paying for benefits. This sentiment echoed the theme many respondents expressed that paid leave can be especially challenging for small businesses to afford.

They also reported that employers have had mixed reactions to current public paid leave policies:

Several respondents described hearing neutral or positive experiences with current state paid leave programs among employers, despite initial concerns. One national industry association representative said, “Our members in California are not seeing difficulties [associated with the state’s paid family leave policy]…. Employers have an initial visceral reaction to being told what to do. No one starts a business because they want government to tell them what to do. But as things come online, employers may see that difficulties are less than expected.”

But many respondents described the administrative burden on employers associated with efforts to remain compliant with paid leave policies. Respondents underlined the staffing, work hours, and systems changes involved in tracking work and leave hours to comply with local paid leave ordinances. Developing and maintaining these systems can be particularly challenging for small firms.

Respondents that work primarily with large firms, which are more likely to operate across jurisdictions, noted the additional compliance burden created by variations in paid leave provisions across states and localities: “In terms of leave, what ails employers most is the compliance nightmare created by patchwork policies.” Varied policies across jurisdictions can also create inequity in benefit packages.
Despite reservations about public paid leave policy, most respondents could envision a public policy that employers would support and benefit from. A common theme, particularly among respondents who work with large employers, was employers’ preferences for a federal paid leave policy that would preempt employers from compliance with state and local paid leave provisions (box 4). Respondents described preemption as something so valuable to employers that many might be willing to support a national paid leave program. One national-level industry representative explained, “I think we will get to a point where there will be a critical mass of local and state ordinances, and we will need federal action.”

**BOX 4**

**What Is Preemption?**

In the work-family policy area, there is considerable debate about the need for “preemption.” Preemption occurs when a high level of government limits the power of lower-level governments to regulate an issue. For example, this occurs if Congress passes a law establishing that a specific federal labor standard will prevail over, or preempt, any state standard that conflicts with it. A state legislature can take similar action with respect to local laws.

A common argument among proponents of preemption in labor laws is that having many different laws or standards across the country, or within a state, can make it difficult and costly for employers that operate in multiple jurisdictions to comply. But opponents of preemption commonly argue that it unfairly limits local control and innovation and that it often results in standards that are too low to benefit the workers who need them.

In practice, research suggests that preemption laws are most likely to affect large employers who have the resources to operate in multiple jurisdictions. Recent Urban Institute reviews of research in such areas as paid sick daysa and paid family and medical leaveb suggest that state and local laws have not negatively affected most employers.

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Respondents who work more with small firms anticipated that small employers would react positively to a public paid leave program if that program followed a social insurance model in which benefits are paid for by the government and funded through payroll taxes. One small-business group representative explained that if the benefit was publicly provided in this way, small employers could
better weather costs associated with missed work: “There’s direct cost of the benefit but then also covering missed work, which can be doable if the direct costs are taken care of externally.” Noting another benefit of the social insurance model to small businesses, a small-business association representative said that the employers she worked with would welcome this kind of paid leave policy because it would be possible to offer a valuable benefit to employees that would otherwise be out of reach for small employers: “I do know that a majority of businesses would love to offer more resources and opportunities to employees if it were subsidized.” Employer openness to public policy around paid leave suggests more nuance in employers’ thinking on this issue than is evident from public debate.

Finally, efforts to reduce compliance burden associated with any public paid leave program would be particularly important to employers, especially small businesses that may not have human resources departments or the capacity to keep up with regulations. One respondent said, “[Some policy] that ties their hands the least...every single company, no matter what size, that I work with is across-the-board overworked and overextended and cannot imagine one more thing on their plate. It isn’t that they’re even averse to [public paid leave policy]; it’s just that they can’t imagine putting in place another thing that they have to respond to or get in by a certain deadline; it’s literally—they feel like—it’s death by a thousand cuts, of ‘here’s one more little thing.’” A related issue might be a broader trend toward downsizing human resources functions.

They can’t imagine putting in place another thing that they have to respond to or get in by a certain deadline; it’s literally— they feel like— it’s death by a thousand cuts, of “here’s one more little thing.”
—Management consultant

Workplace Flexibility and Control

Workplace flexibility and control policies pertain to the timing, amount, or place of work. These issues can take different forms for professional, affluent workers compared with frontline, low-wage workers in low-skilled jobs. These policies include the ability to change start and stop times, control work location, take time off during the day, or voluntarily phase in or out of part-time work. Many of these scheduling practices, such as working from home, primarily are available to professional and salaried workers (box 3).
But for workers whose workdays, shifts, locations, or hours are subject to change based on employer demands, workplace flexibility and control takes other forms. Policies that provide adequate notice of schedules, opportunities for employee input into days or times scheduled, ability to swap schedules, stability in the timing or number of hours, and assurance of being scheduled enough hours to make ends meet are important. These issues predominantly apply to low-wage workers in hourly jobs, likely because in-person coverage and employer control over work schedules for these workers continues to feel central to business operations (box 3). For example, on-demand or on-call scheduling allows employers to change the number of workers at a given time in response to demand or other circumstances, providing less predictability and control for workers.

A small but growing number of states and localities have passed laws requiring fair scheduling practices aimed at these workers, such as requiring advance notice of schedules, providing compensation for last-minute schedule changes, guaranteeing pay for a minimum number of hours, or extending protections to part-time workers (NWLC 2018). Additionally, “right to request” laws are emerging, providing all workers the right to request flexibility or schedule changes without fear of retribution. Serious consideration of employer and public policy to increase workplace flexibility and control for low-wage workers is more recent than efforts to address scheduling related work-family challenges professional workers face.

In practice, few employers provide a “flexible workplace” for all employees, and as with paid leave, high-wage, professional, and full-time employees are more likely to have these benefits (Acosta and Wiatrowski 2018). There is wide variation in provision depending on the type of scheduling practice, and even when a policy exists, there may be barriers to accessing it, especially among low-wage workers (box 3).

We discussed workplace flexibility and control issues broadly with our respondents. Where we can, we specify the scheduling policy being discussed, or we speculate about what aspect of scheduling policy respondents had in mind, based on context of the conversation.

EMPLOYER-PROVIDED SUPPORTS

Employers have many policies to consider in attempts to align their scheduling preferences and needs with their low-wage, frontline workers’ scheduling preferences and needs. Our respondents described how employers are thinking about their role in improving this alignment and the motivating factors and barriers employers experience as they consider changes around scheduling. Respondents also highlighted practices employers are implementing to increase workplace flexibility and control among low-wage workers.
Respondents acknowledged the importance of scheduling issues, but they generally envisioned employers rather than public policy as the primary actor in improving scheduling. One industry association representative said, “I think our [member employers] want to make sure they have people [on the job but also] want to make sure they are accommodating the schedule of people working those hours as much as they can.” For some employers, “flexibility” for low-wage workers is thought of in terms of flexibility that benefits the employer rather than only the worker. One respondent explained, “From our members’ perspective, it’s more of a flexibility issue and being able to manage customer demands in terms of timing of those demands and the need for flexible scheduling. Our members are working with employees to give flexibility but give enough security in terms of a consistent-enough schedule that [we] don’t lose them to other employers.”

Similar to employers’ belief that they have a role in addressing the need for paid leave, many employers see benefits to meeting needs for workplace flexibility and control among their frontline, low-wage workers. Employers see many business reasons to increase workplace flexibility and control:

- The most common motivating factor respondents described was that employers see addressing workers’ needs around scheduling as critical to tackle recruitment and retention challenges. These challenges motivate employers to consider scheduling changes related to flexibility and control, including giving low-wage workers greater input and control in when and how much they work. This motivation is especially present in industries facing shortages of frontline workers, such as accommodations and health care. One respondent said, “Health care is one of the industries...that even though they have a large percentage of hourly workers, has really been sort of cutting edge or ahead of the curve with respect to what they’re doing in the flex space, because they’ve had to because of nursing shortages, etc. How are they going to get and keep nurses?” One local chamber representative said, “The employers who are in the most crisis in terms of workforce tend to be most innovative in terms of scheduling.”
One industry association representative explained that for employers in certain industries, a sense of competing with the gig economy for workers is a related motivation to increase workplace flexibility and control: “The gig economy has shown that people are empowered more than ever to work wherever they want to work. The part-time worker now has so many options with the rise of the gig economy. They can really control their schedule 100 percent. Flexibility is certainly something that our employers are going to have to get used to—having a little less control.”

In addition to helping address recruitment and retention challenges, respondents highlighted other benefits employers see to increasing workplace flexibility or control. These benefits include improving employee satisfaction, morale, and productivity; supporting a positive firm culture; and following industry norms.

Finally, respondents from two local chambers of commerce described work schedule flexibility as a tool to address geographic mismatch between worksites and where low-wage workers can afford housing—by allowing workers to avoid rush-hour commutes.

Respondents’ consistent acknowledgment that scheduling presents challenges, and that some action might be needed to improve practices, reflects greater nuance than is evident in public statements opposing scheduling laws. But despite seeing the benefits of stable, predictable scheduling, they report that employers see real costs and challenges as they consider providing low-wage workers greater flexibility and control.

Respondents explained that employers in certain industries—including retail, child care, manufacturing, health care, and transportation—feel that the ability to ensure in-person coverage at certain times is central to business operations. Even though employers have been thinking about work flexibility for high-wage employees, they have only recently considered changes to scheduling practices for frontline, low-wage workers. One small-business group representative explained, “It has been harder to get [member employers] to be champions of scheduling than any of the other issues. Because I think it is a very sticky issue in low-wage
industries. There is a basic expectation that you show up to your scheduled shift. People will make accommodations—or try to—for family-life issues for low-wage workers. If you have a shift and you don’t show up, or are consistently late, you will lose your job."

- Other barriers to increasing workplace flexibility and control for low-wage workers included costs and risks associated with implementing new scheduling systems and recognizing that meeting workers’ desire for more hours could disqualify them from valuable public benefits (e.g., subsidized child care and housing) by raising their income over eligibility thresholds.

It has been harder to get [member employers] to be champions of scheduling than any of the other issues. Because I think it is a very sticky issue in low-wage industries. There is a basic expectation that you show up to your scheduled shift.
—Small-business group representative

Considering these costs and benefits, employers are taking various approaches to increase workplace flexibility and control for low-wage workers. Many respondents described informal policies: “I think everybody understands that things happen, and employers sometimes need to be flexible.” More formal policies and practices discussed by at least one respondent included implementing scheduling mobile apps, changing regular schedules to better fit family routines (e.g., ensuring workers can be home more regularly on evenings and weekends), and cross-training employees to increase scheduling options across the firm.

PUBLIC POLICY
Some states and localities have implemented legislation to increase workplace flexibility and control. But compared with paid leave, there has been less public policy movement around scheduling. Only Oregon has enacted a statewide fair scheduling law. Accordingly, respondents had less to report about employers’ perceptions of public policy around scheduling and described hearing less from employers about public policy developments in this area.

There is no employer agreement about the role of public policy around workplace flexibility and control for low-wage workers. Echoing sentiments about paid leave policy, many respondents described employers as believing that they already do a lot to meet employees' scheduling needs,
leaving no need for government intervention, despite evidence that access to such supports is limited for low-wage workers (box 3). In these conversations, it seemed most likely that respondents were envisioning public policy that increases low-wage workers’ schedule control, the kind of legislation that has most been under consideration.

Additionally, employers have concerns about how public policy might affect work scheduling:

- Although all enacted scheduling laws focus on specific industries, many respondents expressed that employers believe **scheduling issues are too industry-, firm-, and workforce-specific for any one public policy to account for**. Employers also generally sense that public policy around scheduling attempts to legislate something that is crucial to business operations and therefore not appropriate for public intervention.

- Employers also have concerns about the potential compliance burden associated with scheduling legislation, especially for small firms and for firms that might have to contend with policies that vary across states and localities. One management consultant, highlighting the small-business perspective, said this: “My general answer is that they hate [the idea of public policy around workplace flexibility and control]. It is one more thing, one more nightmare they have to navigate.... [Administrative burden] is enough to sink you, and even if it's not, emotionally and psychologically [it] is enough to make you want to give up. Especially if you are a small business that doesn’t have the infrastructure in place to handle that.”

- One industry association representative relayed the concern among the employers he works with that **scheduling ordinances are inflexible and hinder employers’ ability to align scheduling practices and workforce demands** and therefore reduce employers’ competitiveness for labor.

Notably, respondents varied significantly in how well they understood the details of scheduling policies that have been enacted or are under consideration. In general, respondents reported that employers are skeptical about public policies to increase scheduling flexibility and control. But a few respondents noted **some forms of scheduling legislation might be palatable to employers**. This openness to policy intervention often goes unseen in public statements issued by employer groups about scheduling policy.

The public policy options respondents suggested would be unlikely to provide access to schedule control for all affected workers. One respondent recommended a policy scheme through which employers could choose from several work-family policy options, including flexible scheduling. Another suggested employers would be open to this kind of provision if it included preemption from state and
local scheduling policies. Another respondent suggested that tax breaks or other incentives to increase workplace flexibility or control would be of interest to employers, though perhaps would not be effective in making major changes to scheduling practices: “I’m sure our employers that are already doing this would happily take a tax credit, but it won’t move the needle anymore because the marketplace is driving innovation in these areas.”

Child Care

Policies related to support for child care help workers find, secure, or pay for child care. Employer-provided child care supports include resource and referral programs for finding child care, emergency backup care for when regular arrangements fall through, on-site child care centers, subsidies for purchasing child care, flexible spending accounts for using pretax dollars for child care, or providing parent listservs or parent support groups.

Child care supports from employers are less common than paid leave or schedule control (box 3). And when employers do provide such supports, they tend to be low-cost benefits. From a public policy standpoint, several programs and policies support families’ child care needs. Child care subsidies provided to low-income workers through the federal Child Care and Development Block Grant; public early care and education programs for preschool-age children, such as state public preschool and federal Head Start programs; child care resource and referral services (usually funded through the Child Care and Development Block Grant); and child care tax credits are the primary policies currently in place (Stebbins and Knitzer 2007).

Many of these supports are not universal and serve only a fraction of those eligible; most target subsets of parents (e.g., low-income families or parents with 3- and 4-year-olds), and some are not available on a full-working-day or full-year basis. There is also considerable variation in policy implementation across states that affect access, such as eligibility requirements or funding. In other cases, such as child care tax credits, supports disproportionately benefit affluent workers.

Even more so than for paid leave and workplace flexibility and control, employer-provided child care supports range considerably in cost. We spoke with respondents about child care supports generally. Yet, it often seemed that respondents had more-costly options in mind—such as on-site child care or subsidies for purchasing child care—and less frequently considered less resource-intensive supports such as resource and referral programs. Where possible, we indicate what child care supports respondents seemed to be considering.
Respondents suggested that employers generally see the value of addressing the child care challenges their low-wage workers experience and want to provide support. Yet, **employers do not see it as their role to assure workers’ child care needs are met**. One industry association representative said, “If you’re asking whether employers see it as their responsibility to solve child care problems in this country, I don’t think they think that way. They are trying to get their people to work, so anything they can do that makes sense fiscally, they would try to do.” This reaction might suggest employers’ willingness to consider less resource-intensive child care supports, along with a sense that providing or fully subsidizing child care is not the employer role.

*If you’re asking whether employers see it as their responsibility to solve child care problems in this country, I don’t think they think that way.*
—Industry association representative

Despite not seeing child care provision as the employer responsibility, many **employers see the business benefits of providing supports to address the child care challenges of their low-wage workers** and see the costs of doing nothing:

- The most commonly mentioned benefit was the perception that **providing supports for child care would improve worker retention**.
- Several employers also think of these supports as a **tool to address unplanned absences and schedule adjustments**. Employer-provided emergency backup care could reduce how often employees need to arrive late or leave early because of a child care issue. One human resources consulting firm representative explained, “Child care certainly affects one’s ability to be at work.” Employers feel this motivation particularly with respect to workers in frontline jobs, where in-person coverage of specific shifts tends to be important.
- Other benefits anticipated from offering child care supports include **supporting employee performance, health and well-being, and commitment to the business**. One small-business group representative said, “If you invest in people, they are more likely to invest in you. If family is important to you and you show that to your workers, they are more likely to commit to you.”
One respondent mentioned child care supports as promoting positive “brand identity,” and another mentioned that the employers they work with are increasingly making the connection between addressing child care challenges and supporting frontline workers’ ability to increase skills and develop. Providing child care supports could help an employee attend education or training or feel they can accept a promotion.

But concerns about high costs are the primary barrier employers weigh as they consider implementing or increasing child care supports. Almost all respondents mentioned cost as the main barrier to addressing child care challenges, and few mentioned other downsides of providing child care supports from an employer perspective. This strong reaction suggests that employers consider high-cost child care supports—such as on-site child care or subsidies to buy child care—as the only or primary way employers can support workers’ child care needs. Other barriers mentioned include liability issues associated with on-site child care and concerns about the equity of offering a valuable benefit only to a subset of employees (i.e., those with young children).

Perhaps because of these cost concerns, and despite the benefits employers see to addressing child care challenges, employers do not tend to offer many child care supports to low-wage workers. One human resources profession representative said, “Child care is not top of mind for employers in terms of how to help.” Another respondent, a local chamber, echoed this sentiment: “Companies know the problem exists, but their options to fix it are pretty limited.” Many respondents noted it would be costly and rare for employers to provide on-site child care or child care subsidies.

Instead, respondents’ answers suggested that most employers think of efforts to provide paid leave or workplace flexibility and control as the primary mode of supporting low-wage workers around child care. “At the low-wage level of the workforce,” explained one small-business group representative, “I would be very surprised if [employers] are offering any kind of [subsidy], honestly. You might see more flexibility around scheduling and more willingness to be accommodating about short-term scheduling issues.” Respondents who work with small businesses noted that paid leave or workplace flexibility can be an affordable alternative to high-cost child care supports and thus more feasible for small firms.

In addition to paid leave and scheduling as child care supports, several respondents reported that employers try to address child care challenges by providing information and referrals, including to public child care assistance, and typically through the company’s employee assistance program. Finally, three respondents mentioned examples of employers providing emergency backup care to low-wage workers, noting that this support seemed common among health care employers.
At the low-wage level of the workforce, I would be very surprised if [employers] are offering any kind of [subsidy], honestly. You might see more flexibility around scheduling and more willingness to be accommodating about short-term scheduling issues.
—Small-business group representative

PUBLIC POLICY

Compared with paid leave and workplace flexibility and control, public policy around the employer role in child care supports has received less public debate, and respondents reported not hearing much from employers about child care and policy.

But several respondents reported employers do see a role for publicly provided child care supports, including and particularly for low-wage workers. Employers do not feel that addressing child care challenges for low-wage workers is the employer’s responsibility. Employers see this responsibility as, at least in part, resting in the public realm. One industry association representative said, “I think the question is do we expect employers to foot the bill for everything, or should society pay for it if it is a societal goal?” Several respondents mentioned specific public policy changes employers would welcome, including the expansion of public child care subsidies and child care tax credits.

One local chamber of commerce provided even more detail, suggesting that employers that have sizable low-wage workforces would be particularly supportive of efforts to extend child care subsidy eligibility to high-income working poor and of efforts to refine subsidy eligibility policies, so increases in workers’ hours and wages do not cause abrupt loss of child care assistance.

Despite this evidence of employer support for expanding public child care supports, one national industry association representative offered insights into why employers might not take a public stance for these policy expansions: “We haven’t talked to [any member employers] about more formal programs or Head Start. A frustration we have is that activists that don’t like us would say that our employees use public services like Head Start. We don’t take big positions on those types of programs.”

This positive view of public investment in early care and education stands in contrast to a broad lack of public advocacy presence on these issues among employer groups.
Some respondents noted that if legislation to create a larger role for employers in addressing child care needs was under consideration, employers would have strong preferences around the structure of such a provision. Two national-level respondents explained that if employers were required to help fund a public child care program, employers would want some control over program details. Other respondents noted employers would prefer an incentive-based policy (e.g., tax credits to employers who provide child care supports) over a mandate to provide supports and that the employer preference would be for a federal program over a patchwork of state and local ordinances.

Relationships between Supports

Our conversations with employer representative organizations also explored how much employers saw connections between each of the work-family supports considered in this study—paid leave, workplace flexibility and control, and child care supports—and other benefits such as job training or supports for professional development. We asked respondents to reflect on how much employers think about work-family challenges and supports holistically, the ways employers think about packages of supports, and whether they see trade-offs among different benefits.

Employers appreciate the value of supports in all three work-family areas, as well as other kinds of supports, for their workforces, but respondents described cost constraints leading employers to weigh supports against one another. Among work-family supports, several employers offer a less costly support to try to meet employees’ needs for a costlier support. We heard about these substitutions in at least two ways. First, for employers who perceive child care supports as prohibitively costly, paid leave and workplace flexibility and control were seen as cheaper alternatives. For employers, especially small businesses, who felt paid leave was out of reach, workplace flexibility and control felt like a more affordable way to meet employees’ need for leave.

More broadly, many employers weigh each of the three kinds of work-family supports, along with other supports such as training and tuition assistance, against each other as they create benefit packages to best fit their firm and workforce needs, given cost constraints. One respondent explained,
“There are always trade-offs. I’m sure in a perfect world where resources are not finite, [employers] would do all of these things. Each company has unique challenges, you know. Maybe they have more female associates and employees, so paid family leave for birth is way more important than other benefits. Or, say, you have a younger workforce, all postgrad people, so you offer more tuition assistance. I think the core of this is that all our companies are unique and have different challenges, and they’re all trying to create benefit mixes that work for them.”

There are always trade-offs. I’m sure in a perfect world where resources are not finite, [employers] would do all of these things. Each company has unique challenges.
—Industry association representative

Other employers consider the demographic makeup of the company’s target workforce and operational needs when developing benefits packages: “Our folks look at this as their ‘total rewards package’ for their employees, look at it holistically. All the benefits they provide and what new benefits they may be thinking about offering to attract even frontline workers. For example, a lot of them are looking at how do we help people coming out of college that have college debt. What kind of benefit can we offer in that particular area to assist them. In terms of our workforce, is that in higher demand than child care, predictive scheduling, or even paid leave benefits? Also includes health care and retirement benefits.” One management consultant noted that, of the work-family supports we discussed, paid leave was “winning out” in employer calculations. Employers tend to see paid leave as “most visible, giving the greatest returns, and having the greatest emotional pull.”

In contrast to this general theme of weighing benefits against one another, one respondent—who works primarily with large firms—reported that the employers he works with are increasingly seeing supports for skills development (e.g., training and tuition reimbursement) and other supports (e.g., work-family supports) as complements. Some employers think of these supports as working together to develop and retain a skilled workforce.
Summary of Findings

This exploratory research collected information about employer perspectives on work-family issues by interviewing representatives from organizations that represent or work with employers. This approach allowed us to glean information from experts who engage with employers that vary in size, industry, and geography. We do recognize, however, that speaking with employer representatives may result in different conclusions than speaking with individual employers. But a small group of employers from different perspectives who reviewed the study findings largely agreed with them, suggesting that they reflect their perspectives.

Keeping our approach in mind, this research contributes to discussions about employers and work-family policy and lays the groundwork for future work. Below, we highlight key findings for each of our research questions.

What Are Employers’ Perceived Motivations and Barriers for Providing Work-Family Supports to Low-Wage Workers?

- Employers understand that work-family issues are important.
- Employers have both business-based and values-based motivations for providing paid leave, workplace flexibility and control, and child care supports.
- Tight labor market conditions can increase employer interest in providing work-family supports.
- Employers are concerned about costs and are wary of government intervention, but they are willing to absorb some costs to benefit their workers.
- Employers sometimes have misperceptions about the true costs of work-family supports and the full range of possible work-family supports they could offer.

What Role Do Employers See for Public Policy or Employer Policy?

- There was no area in which respondents universally saw no role for either public policy or employer action.
- Descriptions of the employer role tend to fall into one of two categories: primary (employers feel responsible for providing supports or see employers as best positioned to provide supports) or secondary (employers see an interest in providing support).
Employers tend see the public role as primary for paid leave and child care and the employer role as primary for paid leave and scheduling.

There is more nuance and complexity in employers’ positions—and greater openness to government action—than public discourse would suggest.

Fear of public backlash might make some employers reluctant to advocate publicly for policies they would actually support.

Some respondents lacked information on the details of proposed or enacted public policies and didn’t always seem to understand the range of options and costs.

How Do Employers Think about Relationships between Different Work-Family Supports and Other Benefits They Might Provide Low-Wage Workers?

Benefits are intended to work together as “packages,” but there are trade-offs in practice because of costs and operational needs.

Employers often see scheduling and leave practices as their primary lever for addressing child care challenges.

Work-family issues do not always top the list of employer concerns about low-wage workers.

Some employer representatives perceive work-family supports to be more widespread for low-wage workers than data show them to be.
Considerations for Policy and Research

Given the exploratory nature of this research, the results do not point to specific policy recommendations. But our findings do suggest considerations that could inform future policy and research.

- **Employers might need more information to understand the issues their workers face and the options available to address these issues.** Although there are varying perspectives on the best ways to provide paid leave, schedule flexibility and control, and child care support, there is broad consensus that all these supports have value. This consensus provides an opportunity to advance policy solutions. But our research suggests that work-family issues are not front of mind for employers when they think about the challenges their low-wage workers face, and most employers do not collect systematic information on these issues (box 2). Providing employers industry-specific and market-specific information to better understand how these issues affect them may be one strategy for building on the broad understanding—shared by employers, advocates, and policymakers—that societal changes have necessitated action to address work-family challenges. Further, providing employers information on the full range of supports, including the true costs of supports and low-cost options, could help employers better meet workforce needs.

- **Employer perspectives could evolve with more information on, experience with, and public attention to different approaches to address these work-family challenges.** The respondents we spoke with portrayed employer perspectives on their role relative to public policy as different across policy areas. Although we did not ask respondents to reflect on the political status of these issue areas, the pattern we observed seemed to map onto the level of current public policy debate about the employer role in each policy area. Most notably, the diffusion of paid leave policies is more advanced than the diffusion of scheduling policies. This suggests that employer support for action to expand access to work-family supports might evolve as public discourse increases and policies expand on key issues, such as workplace flexibility and control.

- **Employer costs are real and varied, but public policy might be able to help address them without excluding workers from needed benefits.** Employer concerns about the costs of providing public or employer-sponsored work-family supports include not only the direct costs of providing a benefit (e.g., wage replacement) but other costs associated with implementation and compliance (e.g., technology, systems updates, and human resources staff). Because employers see the business value in work-family supports, they indicate a willingness to bear
some of these costs. Exploring how public policies can take employer costs seriously and address them without excluding certain parts of the workforce might be one strategy for addressing work-family challenges without excluding workers from coverage. Research can evaluate options such as public investment in developing facilitative technologies (e.g., scheduling apps), employer subsidies for new technology or system updates, technical assistance to help businesses implement new practices or comply with requirements, or tax offsets to help businesses absorb costs.

- More research, knowledge, and innovation could inform cross-domain policy design. Employers, researchers, policymakers, and advocates tend to think of work-family supports in silos. Further research is needed to understand how both public and employer-based policies related to paid leave, scheduling, and child care can be designed strategically and in an integrated fashion. Providing employers benefit package models with flexible options for matching scheduling policy to child care needs, or paid leave policy to scheduling policy, could make it easier for employers to address workers' needs. In addition to traditional research, activities such as stakeholder convenings and work groups also hold promise to support knowledge development and innovation.
Appendix. Gathering Employer Perspectives: Methods Details

This report draws on two approaches to gathering employer perspectives. Our primary source of information was a series of semistructured interviews in fall 2018 with organizations that work with or represent employers. Additionally, employers provided feedback on an earlier version of this report. In this appendix, we outline the methods we used to collect and analyze information. This discussion builds on the information presented in box 1.

Interviews with Employer Representative Organizations

Sampling Approach

The sampling approach was informed by interviews with experts on work and family. We considered interviews with employers, but we ultimately targeted organizations that work with or represent employers. This choice was motivated by our desire to gather a broad view of employer perspectives across important employer differences (e.g., size, industry, and geography) within the scope of this study. In selecting organizations, we aimed to recruit respondents with relevant expertise, direct experience working with employers, and diverse perspectives. We targeted national industry associations, national trade or private-sector organizations, national-level small-business groups, human resources professional and policy associations and human resources consulting firms, management consultant organizations, local chambers of commerce, and small-business associations.

In selecting state and local organizations, we sought diversity in region and political orientation. We recruited organizations related to five target industries, all of which have high or growing shares of low-wage workers: accommodations and food services, health care and social assistance, nursing and residential care facilities, retail trade, and truck transportation. We targeted mainstream employer groups and “alternative” employer representative organizations. These groups have recently developed in response to the perception that mainstream employer organizations do not always broadly or accurately represent employer perspectives, especially regarding issues such as work-family supports.
Outreach

We emailed and called target respondents. To connect with employer representatives, we called upon connections to target organizations through colleagues at the Urban Institute and external project advisers. We also conducted cold outreach to target outside our connections.

Respondent Organizations

We interviewed 16 respondents:

- 2 national industry associations
- 2 national trade or private-sector organizations
- 2 national-level small-business groups
- 4 human resources professional and policy associations and human resources consulting firms
- 1 management consultant organization
- 5 chambers of commerce and small-business associations

Some of these respondent organizations work mainly with one employer size, but others represent several employer sizes:

- 6 respondents work mostly with small businesses (1–35 employees)
- 2 respondents work mostly with midsize employers
- 4 respondents work primarily with large employers (Fortune 500 and 300 companies)
- 4 respondents work with employers that range from very small to very large

Our respondents represent employers from our five priority industries, as well as manufacturing, financial services, technology, and the public sector.

Timeline and Process

Interviews were conducted via one-hour phone calls. Senior researchers led the interviews, and junior researchers took detailed notes. Each organization had one to three staff members in various roles available for the calls. Interviews were semistructured. The project team followed an interview guide but asked additional questions as they arose. The guide included questions about employers’
perspectives on paid leave, scheduling, and child care, as well as reactions to public policy in each domain. The guide directed respondents to focus responses on these industries and on low-wage workers. We explained that the focal workforce included workers in frontline, less-skilled positions and at the low end of the wage scale.

**Analysis**

The qualitative database consisted of verbatim notes from all interviews. We analyzed these data with help from the data management and analysis software program NVivo. We coded the data using a scheme developed based on the interview guide and based on early themes that emerged.

**Feedback from Employers**

Interviews with employer representative organizations provided a bird’s-eye view of employers’ perspectives on work-family issues. To ensure our research resonated with employers and incorporated their voices, we recruited employers to review and provide feedback on an earlier version of this report. We contacted 10 employers, and 7 provided feedback. Employer reviewers ranged in size from companies with up to 35 employees to multinational firms with tens of thousands of employees. Industries represented included health care, retail, and hospitality. Feedback was provided in four cases as written responses to prompts and in two cases through a phone conversation. Reviewers largely reported that our findings aligned with their firms’ experiences. We used the feedback to revise the report for clarity.

**Confidentiality**

Identities of respondents and their organizations were kept confidential and were not shared outside the research team or with other respondents. Findings from their responses were compiled for this report, and any potentially identifiable direct quotes were approved before use. Similarly, the names and organizations of employers contacted for feedback on the draft report were not shared outside the team. We did not share the identities of original respondents with employers, but we told respondents that employers could make the connection back to them.
Ensuring Authenticity and Diversity of Employer Perspectives

The researchers took considerable effort to ensure the authenticity and diversity of the information we collected. The sampling approach was developed to produce diverse respondents with respect to their roles in relationship to employers; the size, industry, and geography of the employers our respondents worked most closely with; and respondents’ status as mainstream or alternative employer representatives. Common themes emerged from the interviews. This commonality increased our confidence in the quality of our data—that is, the data’s ability to authentically represent employer perspectives. Employers’ review of early findings provided a further check on the validity of our findings.
Notes


5 Public child care supports for parents to attend training and education are hard to come by. For more information, see “Bridging the Gap,” Urban Institute, accessed July 10, 2019, https://www.urban.org/bridging-gap.
References


About the Authors

Alexandra Stanczyk is a former research associate in the Center on Labor, Human Services, and Population at the Urban Institute. Her research focuses on women and families' economic security; low-wage work and work-family policy; safety net programs; and child welfare policy and practice. Her work draws on both quantitative and qualitative methods to assess impacts and implementation of public policies and programs.

Shirley Adelstein is a former senior research associate in the Center on Labor, Human Services, and Population. Her research focuses on programs and policies that promote family well-being and gender equity, including early childhood, work and family, family demography, and workforce development.

Eleanor Lauderback is a research assistant in the Center on Labor, Human Services, and Population. Her work focuses on child and family policy, including early childhood programs, public investments in children, and work-family issues. Her research interests include community-engaged methods and social determinants of health.

Gina Adams is a senior fellow in the Center on Labor, Human Services, and Population and directs the Low-Income Working Families project and the Kids in Context initiative. She is a national expert on factors that shape the affordability, quality, and supply of child care and early education services and the ability of low-income families to benefit from them. Her recent work focuses on the importance of stabilizing families to support healthy child development, the impact of Medicaid work requirements on the child care needs of parents, and strategies to meet the child care needs of parents seeking education and training.
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