

**Business Smart.**  
**Family Friendly.**  
**Future Ready.**

A photograph of a family in a doorway. A man with a beard and glasses, wearing a striped shirt, is holding a large black bag and looking out the door. A young boy with glasses is hugging him from behind. A young girl in a pink dress is also hugging him. A woman with long brown hair is in the foreground, looking out the door. The scene is brightly lit by sunlight coming through the doorway.

# North Carolina Employers Agree

Family-friendly practices are  
good for business.





# The benefits of growing strong businesses and families.

Benefits such as health care, flexible schedules and paid maternity, paternity, and adoptive leave help families support their children’s healthy development and future life outcomes. Businesses also win with increased productivity, higher rates of retention and reduced absenteeism.

Benefits such as health, sick leave, 401K savings, paid time off, flexible schedules and maternity, paternity and adoptive leave help families provide in the present and save for the future. This is especially true for young families, whose money, time and health resources have a direct effect on their children’s early development and later academic, social and life outcomes.

In light of the large contribution businesses make to family and child development through compensation and benefits, North Carolina Early Childhood Foundation (NCECF) and Blue Cross and Blue Shield of North Carolina surveyed small, medium and large employers and their employees in the fall of 2017 to assess the perceived value of family-friendly practices such as health insurance, retirement savings, sick leave and paid time off, as well as additional benefits in paid maternity and paternity leave, flexible scheduling and breastfeeding support and accommodations. The survey uncovers employer motivations behind the practices they currently offer, the ones they want to offer and the barriers to offering them. This is complemented by a look at how employees value family-friendly practices.

The research offers some surprising results, particularly in the alignment between employers and employees. It stands to reason that employees value family-friendly practices, but there is the question of whether businesses see the value to the profitability and standing of their companies. They do.

In general, employers and employees see family-friendly practices as being good for business—a primary concern shared by both—as they give employers a competitive edge in attracting and retaining employees and can reduce absenteeism and increase productivity.



# Key Findings

Good for employees, good for businesses.

North Carolina businesses value strong and positive relationships with their employees and communities, reflecting a business-friendly state where people like to work and raise families. Increasing family-friendly practices emerges as an effective tool in recruiting and retaining employees, particularly those with young families.

- Employers and employees commonly identify a core set of family-friendly practices as health insurance, 401K, sick leave and paid time off.
- Employers also identify additional practices as family-friendly, such as flexible work schedules, paid maternity and paternity leave, breastfeeding support and accommodations and help affording child care.
- Employers consider family-friendly policies to be nearly as good for business as for employees.
- Employers of all sizes want to support their employees and their families and see family-friendly practices as an effective way to grow a more prosperous company, which adds stability and opportunity to both the employer and employee.
- Employers and employees agree that family-friendly policies help companies recruit and retain talent.
- Different employers have different offerings, but a sizeable number want to make progress by either providing core practices or adding more family-friendly practices to them.
- Flexible schedules—the ability to balance work and life obligations—emerge as an important family-friendly policy among large- and medium-sized companies and all employees, but particularly younger employees with children.
- Younger employees with children—the next workforce generation—are attracted to flexible schedules, paid maternity and paternity leave, breastfeeding support and accommodations and help affording child care.
- Only half of employees are satisfied with their employer's offerings, providing an opening for employers to increase loyalty and retention if they offered more. Nearly three in four would be more committed to their employer if they offered more.
- Employers and employees see cost as a barrier to adding programs and benefits.
- Medium-sized companies of 50-499 employees, the second largest employer group in North Carolina, are leaning into family-friendly practices and see the business value of offering more. They are looking to differentiate themselves from small businesses and emulate large businesses in order to compete with them.

Family-friendly policies are good for businesses and families.



EMPLOYERS SEE POSITIVE BENEFITS FOR THEIR INDUSTRY, COMMUNITIES, STATE AND CITIZENRY, WITH VERY LITTLE NEGATIVE IMPACT.

	Positive Impact	No Impact	Negative Impact	Don't Know
Your employees' families	71%	23%	0%	6%
Your industry	59%	29%	3%	9%
The community	65%	27%	1%	7%
The state of North Carolina (NC)	59%	29%	1%	10%
Current NC citizens	59%	30%	1%	10%
Future NC citizens	58%	29%	1%	12%

EMPLOYERS CONSIDER FAMILY-FRIENDLY POLICIES TO BE NEARLY AS GOOD FOR BUSINESS AS FOR EMPLOYEES. THEY SEE A HIGH UPSIDE WITH VERY LITTLE NEGATIVE IMPACT.

	Positive Impact	No Impact	Negative Impact	Don't Know
Your organization or company	71%	24%	1%	4%
Your employees	75%	21%	1%	3%

Employers see family-friendly practices as being good for recruiting and retention.



A MAJORITY OF EMPLOYERS FEELS THAT OFFERING FAMILY-FRIENDLY POLICIES AND BENEFITS HELPS THEM ATTRACT AND RETAIN BETTER EMPLOYEES. MEDIUM AND LARGE COMPANIES FIND THIS ESPECIALLY BENEFICIAL.

62% of employers believe that offering family-friendly policies and benefits helps them attract and retain better employees.

TOTAL EMPLOYEES	TOTAL PERCENTAGE
2-49	51%
50-499	69%
500+	84%



“I think the advantage could be more long-term workers. More people would stay at the job longer and not move to another company.”

OVER 90% OF EMPLOYEES AGREE THAT FAMILY-FRIENDLY PRACTICES GIVE COMPANIES A COMPETITIVE ADVANTAGE AND THAT EMPLOYERS SHOULD BE SUPPORTIVE OF EMPLOYEES.

Offering family-friendly policies and benefits gives employers a competitive edge in attracting and retaining employees.

94%

Having senior management that cares and is supportive of employees is very important.

93%



“Any employee who has the chance to receive family-friendly benefits would for sure be a much more loyal employee and trust/respect their employer more for offering something like this.”



Health insurance, life insurance and retirement are core family-friendly benefits.



A MAJORITY OF EMPLOYERS FEEL IT IS THEIR ROLE TO LOOK OUT FOR THE WELL-BEING OF EMPLOYEES AND THEIR FAMILIES.

**69%** of all employers believe it is important to senior management to create a caring and supportive environment for employee families.

TOTAL EMPLOYEES	TOTAL PERCENTAGE
2-49	62%
50-499	74%
500+	81%

**67%** of all employers believe it is their responsibility to have policies and programs that help employees be more productive at work and have a stronger family life at home.

TOTAL EMPLOYEES	TOTAL PERCENTAGE
2-49	55%
50-499	74%
500+	92%

EMPLOYERS VIEW CORE FAMILY-FRIENDLY BENEFITS AS HEALTH INSURANCE, FOLLOWED BY DENTAL, LIFE, RETIREMENT SAVINGS, VISION AND PAID TIME OFF.

Health insurance	67%	Retirement savings plans	29%
Dental insurance	47%	Vision insurance	28%
Life insurance	35%	Paid time off policy	20%

Many employers want to add more family-friendly practices with core benefits and those specific to helping parents of young children.



OF THE EMPLOYERS WHO DO NOT OFFER PRIORITY FAMILY-FRIENDLY BENEFITS, OVER A THIRD WANT TO ADD PREGNANT WORKER ACCOMMODATIONS, FLEXIBLE WORK HOURS AND BREASTFEEDING SUPPORT AND ACCOMMODATIONS IN ADDITION TO CORE BENEFITS.



**41%**  
Pregnant worker accommodations



**37%**  
Flexible work hours/schedules



**32%**  
Breastfeeding support/ accommodations



**30%**  
Health insurance



**23%**  
Paid maternity leave



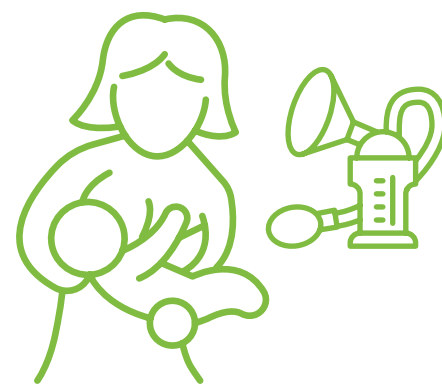
**17%**  
Paid paternity leave

**21% of small employers are more likely to add health insurance.**

EMPLOYERS WITH 50 OR MORE EMPLOYEES AND A LARGER PERCENTAGE OF FEMALES AND PARENTS IN THEIR WORKFORCE ARE MORE LIKELY TO SEE THE BENEFIT OF A FULL RANGE OF FAMILY-FRIENDLY PRACTICES.

	50-499 EMPLOYEES	OVER 25% FEMALE WORKFORCE	OVER 25% WORKFORCE/KIDS
Flexible work hours/schedules	62%	57%	61%
Paid maternity leave	60%	58%	56%
Breastfeeding support/accommodations	56%	51%	52%
Paid paternity leave for fathers	43%	42%	41%
Subsidized childcare	37%	37%	33%

EMPLOYEES AND EMPLOYERS ARE CLOSEST TO AGREEING ON THE IMPORTANCE OF BREASTFEEDING SUPPORT AND ACCOMMODATIONS, SHOWING A SWEET SPOT BETWEEN WHAT EMPLOYEES VALUE AND WHAT EMPLOYERS CONSIDER POSSIBLE TO OFFER MORE IMMEDIATELY.



Flexible work hours emerge as an important family-friendly practice for employees and many businesses.



## About 8 in 10

of all employees see flexible work hours and schedules as an important family-friendly practice. Younger employees see them as more important.

EMPLOYEE AGE	TOTAL PERCENTAGE
Under 35	90%
35-44	86%
45-54	81%
55-65	83%

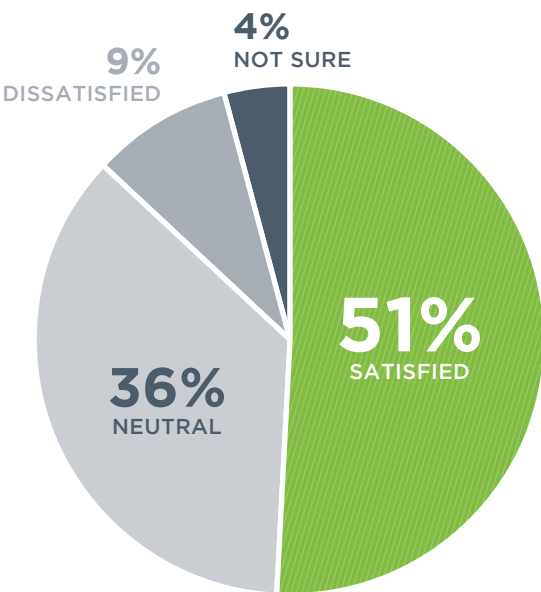
WHILE A MAJORITY OF EMPLOYERS FIND FLEXIBLE WORK HOURS IMPORTANT, EMPLOYEES RATE IT FAR HIGHER IN IMPORTANCE, INDICATING A STARTING POINT TO IMPROVE EMPLOYEE RECRUITING, SATISFACTION AND RETENTION.



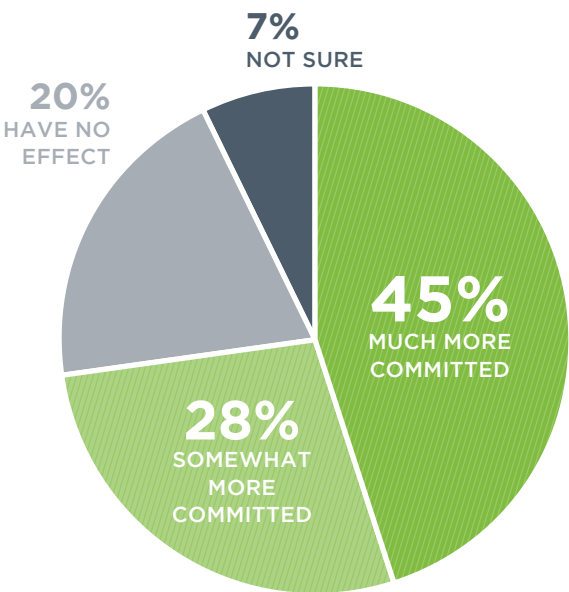
An opportunity to increase employee satisfaction and commitment with more family-friendly practices.



ONLY HALF OF EMPLOYEES ARE SATISFIED WITH THEIR EMPLOYER'S OFFERINGS, BUT NEARLY THREE-QUARTERS WOULD BE MORE COMMITTED TO THEIR EMPLOYER IF THEY OFFERED MORE.



SATISFACTION WITH OFFERINGS



EFFECT ON COMMITMENT TO EMPLOYER IF OFFERED

Employers say the cost of adding family-friendly programs is a top concern.



Over two-thirds of employers

say the costs of a program or benefit is one of the most important considerations, with concerns higher among medium and large companies due to the costs of scaling.

TOTAL EMPLOYEES	TOTAL PERCENTAGE
2-49	60%
50-499	73%
500+	81%



# A Look at Differences by Company Size



While a majority of all businesses generally see family-friendly policies as important, the intensity of their support for core and additional practices moves up in accordance to the size of the business. Small businesses see the value in family-friendly practices, but are less apt to adopt or expand them. Medium-sized businesses have larger aspirations and more strongly embrace the role of providing a supportive environment for employees and families. In large companies, such environments are simply a part of the culture. Some highlights on the differences in attitudes and practices include:

- Sixty-two percent of small businesses feel it is important to create a caring and supportive environment for employees in contrast to 74% of medium-sized companies and 81% of large ones.
- Similarly, when asked if they felt it was their responsibility to help employees be more productive at work and have a stronger family life at home, 55% of small businesses agreed in contrast to 74% of medium-sized businesses and 92% of large businesses.
- A bare majority, 51%, of small businesses saw family-friendly policies as being helpful in employee retention while medium and large businesses rated their effectiveness at 69% and 84%, respectively.
- Differences in attitudes toward employer roles are reflected in differences in benefits offered. Fifty-three percent of small businesses offer health insurance in contrast to 89% of medium-sized companies and 100% of large employers. It is worth noting that under the Affordable Care Act, businesses with more than 50 full-time employees are required to offer affordable health care that provides a minimum level of coverage, or pay a penalty.

This is not to imply that small businesses don't care about their employees and their families. The fact that a majority of small businesses provide health insurance and express a desire to be supportive of employees and families is a good sign in an industry segment where the cost of providing benefits can be a big financial sacrifice.

In general, small businesses largely see their role as providing jobs and servicing consumers, with the availability of family-friendly practices often being dictated by profitability and/or a core philosophy of the owner. While a majority offer core benefits such as insurance, others feel that family-friendly practices are not their primary responsibility—and many of their employees are not likely to expect them. Those who want to adopt family-friendly practices certainly have to deal with cost factors, but the scale of such cost is relatively contained, and the size of the company can allow for greater flexibility.

Core family-friendly practices are part of the culture of a large business. They are generally seen as central to recruiting, maintaining and satisfying a diverse workforce. While additional family-friendly practices can be expensive to add at scale, company revenue can often mitigate this challenge.



Medium-sized businesses: Leaning into family-friendly practices, held back by costs.



Given where small and large businesses are on family-friendly practices, medium-sized companies emerge as a group that can expand such practices to more North Carolina families.

Medium-sized businesses have high aspirations, a real need for talent and a strong sense of responsibility to employees and communities. However, the scale of adding family-friendly practices can be limited by profitability. They run the danger of losing employees to larger companies or to competitors who can offer slightly more. Those medium-sized businesses with or looking to attract younger employees with families, provide the greatest opportunity to expand family-friendly practices. In terms of competing for talent, medium-sized businesses tend to be caught between the lower expectations and nimbleness of small businesses and the higher expectations and performance of large ones.

Our research shows that medium-sized companies very much want to increase their offerings in family-friendly practices, especially those with higher numbers of female employees and employees with young families. Helping them overcome the challenges of cost could lead to greater adoption of a wider range of family-friendly practices that produce better outcomes for their businesses and North Carolina’s economy, as well as for employees and their children.

MEDIUM-SIZED BUSINESSES SEE FAMILY-FRIENDLY PRACTICES AS MORE BENEFICIAL FOR THEIR ORGANIZATION THAN FOR THEIR EMPLOYEES.

	ALL BUSINESSES	SMALL-SIZED BUSINESSES	MEDIUM-SIZED BUSINESSES
Positive for business	58%	53%	61%
Positive for employee	32%	29%	37%

MEDIUM-SIZED BUSINESSES HAVE A STRONGER BELIEF THAT FAMILY-FRIENDLY PRACTICES HAVE A WIDE RANGE OF BENEFITS FOR THEIR ORGANIZATIONS, EMPLOYEES AND BEYOND.

	ALL BUSINESSES	SMALL-SIZED BUSINESSES	MEDIUM-SIZED BUSINESSES
Your employees	75%	64%	85%
Your employees' families	71%	61%	77%
Your organization or company	71%	59%	82%
The community	65%	56%	72%
Your industry	59%	49%	68%
The state of North Carolina (NC)	59%	54%	62%
Current NC citizens	59%	53%	62%
Future NC citizens	58%	55%	57%

MEDIUM-SIZED COMPANIES ALSO HAVE A STRONGER SENSE OF CORPORATE RESPONSIBILITY AND A BELIEF IN THE WISDOM OF INVESTING IN HUMAN CAPITAL.

What is your best estimate for the percentage of employees that have one or more children 18 or younger living in their household?

	ALL BUSINESSES	SMALL-SIZED BUSINESSES	MEDIUM-SIZED BUSINESSES
None	10%	21%	-
1-24%	19%	25%	15%
25-49%	21%	18%	21%
50% or more	25%	21%	27%



AMONG THOSE WHO HAVE NOT ALREADY IMPLEMENTED THE PRACTICES, MEDIUM-SIZED COMPANIES VIEW ADDING FLEXIBLE WORK HOURS, MATERNITY LEAVE AND BREASTFEEDING SUPPORT AS IMPORTANT COMPARED TO OTHER INITIATIVES THEY HAVE IMPLEMENTED.

Medium-sized company rates are higher than those of the total number surveyed and significantly higher compared to small businesses.

	TOTAL	SMALL-SIZED BUSINESSES	MEDIUM-SIZED BUSINESSES
Flexible work hours/schedules	54%	47%	62%
Paid maternity leave	49%	36%	60%
Breastfeeding support/accommodations	44%	29%	56%

The cost of adding programs is a significantly higher concern for medium-sized businesses than for small businesses.



**77%** of medium-sized businesses surveyed said that cost was the most important thing to consider, versus 64% of small businesses and 71% of all businesses.





# North Carolina

The opportunity to be a more business- and family-friendly state.



North Carolina employers see family-friendly practices as good for business, employees, families and communities. The link between employers and employees is strong, with employers showing concern for their employees' families and employees wanting to make sure family-friendly practices add to their employers' sustainability.

Aiding employee recruiting, satisfaction and retention is the largest motivating factor for all businesses. Therefore, lower unemployment and the need for higher-skilled employees can drive greater adoption of family-friendly practices, especially in businesses that have larger numbers of younger employees and female employees.

Businesses looking to recruit younger women and women with young families may want to think about implementing or strengthening family-friendly practices. Younger employees with children are most attracted to the full range of family-friendly practices, from core benefits to breastfeeding support and accommodations, maternity and paternity leave and help affording child care. There is interest in employers helping make access to child care more convenient (such as through onsite or backup). These benefits get higher rankings when employees are asked which are most important to the success of the employer.

Organizations with higher percentages of younger employees and those with young families are most apt to be looking at a full range of family-friendly practices and adding them to their core offerings. In the future, businesses with aging workforces and a need to attract younger families may begin adding family-friendly policies to better suit its changing workforce.

Flexible work hours/schedules and breastfeeding support and accommodations are the two highest-priority practices that are ripe for expansion.

Employees see flexible schedules as a way of balancing work and family commitments. The opportunity to take a child to the doctor or attend a parent-teacher conference and make up work later without losing pay helps the family—and such flexibility can also be enjoyed by older employees who need to attend to their own care or the care of a parent. At this point, employee enthusiasm is higher than employers, but the gap is not a large one.

Breastfeeding support and accommodations are easy and practical for most employers to implement. Although the desire for such accommodations is lower than flexible work schedules, we attribute this to the fact that breastfeeding needs are relatively short-term and confined to a smaller part of the overall employee population. Still, employers and employees agree on the importance of this practice.

# Methodology

## Surveying a cross-section of businesses, organizations and employees.

This research was conducted by Artemis Strategy Group, a consumer research company specializing in motivation research, in conjunction with Neimand Collaborative, a social impact marketing firm. Both have extensive experience in the areas of health, early education, personal finances, social mobility and economic well-being.

A telephone survey to interview a cross-section of 308 human resources and benefits decision-makers at organizations representative of North Carolina employers was conducted from October 11, 2017 through October 30, 2017. Employers surveyed represented an array of North Carolina companies in different industries and of various workforce sizes, aligned to census data and unweighted. The survey has an overall margin of error of +/- 5.6% in 95 out of 100 cases.

EMPLOYER INDUSTRY	NUMBER OF EMPLOYEES*				
	1 to 49	50 to 499	500 +	Totals	%
Retail/hospitality/tourism	47	31	4	82	27%
Manufacturing/construction/ wholesale/transport/ warehousing	37	36	10	83	27%
Service sector and health care	49	36	16	101	33%
Non-profit	10	9	1	20	6%
Local/state government/ public education	11	5	6	22	7%
Totals	154	117	37	308	
PERCENTAGES	50%	38%	12%		100%



An online survey of 313 North Carolina employees was conducted from October 23, 2017 through November 1, 2017. Employees surveyed represented the North Carolina workforce by size, nature of industry and geographic location of employers as well as by age, income and racial/ethnic diversity of the employee population, aligned to census data and unweighted. The survey has an overall margin of error of +/- 5.5% in 95 out of 100 cases.

EMPLOYER INDUSTRY		NUMBER OF EMPLOYEES*	
Retail/hospitality/tourism	13%	Under 50	23%
Manufacturing/construction/ wholesale/transport/ warehousing	16%	50-499	22%
Service sector and health care	41%	500 or more	47%
Non-profit	3%	5,000 or more	27%
Government	26%	Don't know	8%
Other	2%		

*\* Unless otherwise specified, the number of employees refers to total employees (full- and part-time, permanent and seasonal) throughout this report.*



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**LET'S GET STARTED!**

Learn more at [FamilyForwardNC.com](http://FamilyForwardNC.com)