

# LEAVE BENCHMARKING SURVEY SERIES: FAMILY AND PARENTAL LEAVE BENEFITS

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## EXECUTIVE SUMMARY

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IBI is committed to providing benefit design benchmarking to its membership. To that end, we are updating our Leave Management Benchmarking Series. We will conduct a survey each month on key topics of interest, which were selected by our membership. Each survey will be published in its entirety, along with a one-page infographic to summarize the findings. Four hundred employers of all sizes will be surveyed each month. At year end, the survey results will be combined into one result set, along with an observation summary paper highlighting the findings.

In August-October, IBI surveyed more than 500 employers about their **Family Leave Benefits**. Respondents were instructed to focus on standalone employer-sponsored paid family and/or parental leave benefits **NOT** included as part of a PTO/vacation/statutory/FMLA or short-term disability benefit provided to employees. In the absence of a federal paid family leave program, the responsibility to support workers with caregiving obligations mostly falls to employers. While some states do provide paid family leave most do not. Employers are keenly aware of the relationship between a healthy and supported workforce and productivity. As such, having insight into benefit availability is of high interest to IBI membership, and can help to inform employer decision-making.

## SURVEY RESULTS

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### Does your organization offer any of the following standalone employer sponsored paid leave benefits NOT included as part of a PTO/vacation/statutory/FMLA or short-term disability?

- 31% of employers indicated they offer paid family leave (*at least five days off from work to care for a family member with a serious health condition*).
- 8% indicated they offer paid parental leave (*bonding time for the birth, adoption, or placement of a child*).
- 51% reported they offer both paid family and paid parental leave.
- 11% reported that they do not offer any type of paid family or parental leave.

### Region

Out of the 53 companies that did not offer leave, most of them are located in the South (49%).

### Company Size

51% of companies with 1-49 employees did not offer any leave - the highest among all company sizes. 11.7% (7 out of 60) 10K size companies did not offer any leave.

### Industry

Of the 53 total companies who did not offer leave, 21% came from healthcare.

## Has your organization's policies on any of the following standalone employer-sponsored paid leave benefits changed since 2020 (the beginning of the pandemic)?

More than half (65%) of the organizations surveyed changed their policy on family leave since 2020.

## Of those who changed their policy, in what way has your organization's policy on paid leave changed since 2020 (the beginning of the pandemic)? Select all that apply.

- A majority of employers (76%) expanded benefit provisions/conditions.
- 63% offered benefits to more employees.
- 32% reduced or canceled benefit provisions/conditions.
- 17% offered the benefit to fewer employees.

### Region

Employers in the South were more likely to have canceled or reduced provisions compared to other regions (32%).

### Industry

Companies in IT were more likely to expand their benefits.

## When did your organization FIRST begin to offer a standalone employer-sponsored paid leave benefit?

- 40% offered family leave prior to 2020.
- 15% began offering it in 2020.
- 20% began offering it in 2021.
- 17% first began offering family leave in 2022.

## How do you define family member? Select all that apply.

- The majority of employers (92%) include “spouse” in their definition of ‘family member.’
- 88% include “biological child” and 70% include “parent” in their definition.
- 61% include “adoptive child” in their definition.
- Half of employers also defined ‘family member’ as “sibling” (50%) and “grandparent” (49%).
- 46% include “domestic partner” in their definition.
- The breakdown did not vary based on demographic variables of region, size, revenue, and/or industry.

## How many weeks does your organization’s standalone employer-sponsored paid leave benefit provide?

- 33% of employers provide 3-4 weeks of employer-sponsored paid leave.
- 22% provide 5-6 weeks.
- 17% provide 1-2 weeks.
- 12% provide 9-12 weeks.

### Region

Companies in the South were more likely to offer 9-12 weeks (15%) compared to other regions.

### Company Size

Companies with over 10K employees were more likely to offer 9-12 weeks.

### Industry

Education was more likely to offer 5 to 6 weeks.

## What wage replacement percentage does the employee receive as a benefit under the standalone employer-sponsored paid leave benefit?

- 19% of employers provide 100% of wages.
- The remainder provide partial wage replacement, with the most common options being 50-59% (20%), 60-69% (19%), <50% (15%), and 70-79% (14%) of wages.
- 6% have no income replacement (unpaid leave only).

### Company Size

Of the 85 companies who offer 100% wage replacement, the most (23) were from the 10K+ size.

### Industry

Of the 85 companies who offer 100% wage replacement, 16 were in the Education industry, followed by 14 in Finance/Banking.

## Which employees are eligible for the standalone employer-sponsored paid leave benefit? Select all that apply.

- 25% of employers offer a paid leave benefit to all employees.
- A majority of employers (75%) offer this benefit to full-time employees.
- 11% offer this benefit to part-time employees.
- 4% offer to exempt only, and 4% to non-exempt only.

## When are employees eligible for the standalone employer-sponsored paid leave benefit? (Select all that apply)

- 63% of companies indicated that employees are eligible at the date of hire (immediately).
- 37% of employers indicated that employees are eligible after a certain length of service.
- From the qualitative data, the two most common lengths of service indicated were 90 days and 6 months.

## What is the way the standalone employer-sponsored paid leave benefit can be taken?

- 62% offer both a continuous and intermittent family leave benefit.
- 32% offer a continuous family leave benefit.
- 7% offer only an intermittent family leave benefit.

## Of those who offer intermittent leave, what is the smallest increment allowed?

- Half of employers (53%) offer 1 day as the lowest increment allowed for intermittent family leave.
- 33% offer a half day as the lowest increment.
- 13% offer 1 hour as the lowest increment.

## Is the standalone employer sponsored paid parental leave benefit different in duration based on birth mother or other parental relationship, primary versus secondary of the employee?

Fifty-two percent of employers said there was a difference, while 48% said there was no difference based on birth mother or other parental relationship.

## How do you define qualifying events for this paid family leave benefit? (Select all that apply)

- A majority of employers (86%) include 'employee's own serious health condition' in their definition of qualifying events.
- 79% include 'birth or adoption of child.'
- 78% include 'paid family medical leave for serious condition of family member.'
- 47% include 'pregnancy loss.'
- 37% include 'domestic violence issues (Safe Leave).'
- 22% include 'fertility treatments.'
- 21% include 'surrogacy.'
- 19% include 'foster care.'

## Since implementing a standalone employer-sponsored paid leave benefit, has there been a change in the amount of time employees are taking or carrying over for PTO/vacation/sick time?

Half of employers (53%) report that there has been no change in employees taking PTO/vacation, compared to 47% who responded there has been a change in employees taking PTO/vacation since implementing a family benefit.

## Does your organization provide paid transitional parental leave in addition to the time allotted for paid parental leave?

More than half of employers (58%) provide an additional paid transitional parental leave, where employees return to work on a less than full time basis for a defined period of time while 42% do not provide an additional paid transitional parental leave.

## Can the amount of paid time an employee receives for the standalone employer sponsored paid leave benefit increase on a discretionary basis beyond the standard benefit based on the circumstances of the leave?

Half of employers (56%) allow an increase in paid time off on a discretionary basis (i.e., an employee can request an increase in the amount of paid time off), while 44% do not offer this option.

## Is this administration of the standalone employer-sponsored paid leave benefit internally managed?

A majority of employers (89%) internally manage their employer-sponsored family leave benefit.

## Among those who internally manage their benefit, does your organization have dedicated staff to manage the standalone employer-sponsored paid leave benefit?

A majority of employers (81%) have dedicated staff to manage the family leave benefit.

## Among those who internally manage their benefit, how many full-time equivalent staff does your organization have to manage the standalone employer-sponsored paid leave benefit?

- 36% of employers have 11+ full-time employees dedicated to managing leave benefits.
- 27% have 4-7 employees.
- 9% have 2 employees.
- 6% have 1 employee.

## Has your organization seen an increase in attraction and/or retention as a result of implementing a paid family or paid parental leave policy?

More than half (66%) of employers have seen an increase in attraction and/or retention as a result of implementing a family leave policy.

### Region

Employers in the South had the highest percentage (33%) reporting an increase in attraction/retention from implementing this leave.

## Among the 56 companies who currently do not offer an employer-sponsored paid leave benefit, is your organization considering implementing a standalone employer-sponsored paid family and/or parental leave program in the next 12 months?

More than half (68%) of employers indicated they will not consider implementing a family leave program in the next 12 months.

### Region

Of the 18 companies who ARE considering implementation, most are located in the South (66%)

### Company Size

Of the 18 companies who said they ARE considering implementation, almost half (44%) are small companies (1-49 employees).

## Among those who do not plan to implement a paid family and/or parental leave program in the next 12 months, what are your roadblocks?

More than half (58%) of employers indicated that cost is a roadblock, followed by not an issue (25%), employee interest (23%), administration (23%), and resources (15%).

Only 8% indicated that their organization employs individuals in a state with a state-sponsored paid parental/ paid family leave program.

### Industry

Of the 38 companies who are NOT considering implementation, 24% were from healthcare and 21% from Retail.



## Has your organization been concerned about the amount of turnover due to family and or/parental caregiving demands?

More than half (63%) of employers indicated that they are not concerned about turnover due to family and/or parental caregiving demands.

### Company Size

Of the 186 companies reported being concerned about turnover, the majority were from organizations with 5,000-9,999 employees.

### Industry

Of the 186 total reported being concerned about turnover, the majority were from IT, Education and Retail.

### About Integrated Benefits Institute

The Integrated Benefit Institute's independent research, industry-leading tools and data resources help companies link health-related programs to the outcomes that maximize the contributions of people to productivity and business performance. Founded in 1995, IBI is a national nonprofit research organization and business association serving 1,800 employer and supplier members and their 22 million employees. For additional information, please visit [www.ibiweb.org](http://www.ibiweb.org) and follow us on [Twitter](#) and [LinkedIn](#).