Enhanced Employee Health, Well-Being, and Engagement through Dependent Care Supports

Moderator:
Dave Lissy
Chief Executive Officer
Bright Horizons Family Solutions

Speakers:
Dr. Lucy English
Senior Consultant
The Consulting Practice at Bright Horizons

Dr. Jamie Ladge
Professor of Management and Organizational Development
Northeastern University

www.brighthorizons.com/employersolutions
Agenda

• Bright Horizons Family Solutions®
  – A brief introduction
• The Employee Health, Well-Being, and Engagement Study
  – Why The Consulting Practice conducted the study
• Study Methodology
• Stress — The Impact on the Workplace
• Study Findings
  – How dependent care supports impact employee health, well-being, and engagement
• Q&A
Bright Horizons Family Solutions —
A Brief Introduction

• Partner of Choice
  – More than 800 client partners including more than 120 of FORTUNE 500
  – We partner with more than 80 of the Working Mother “Top 100 Companies,” including eight of the top 10
  – Innovative and customized solutions across every industry sector to address key life stages
  – More than 700 work-site child care locations in the U.S. and Puerto Rico, UK, Ireland, and Canada
  – Quality leader; best accreditation track record in the field

• Employer of Choice
  – Named 11 times to FORTUNE’s “100 Best Companies”
  – 50% lower turnover than the national average
  – Companies That Care Honor Roll three consecutive years
Employee Engagement at Key Life Stages

- Child Care and Early Education
- Back-Up Care and School-Age Programs
- Educational Advising
- Adult/Elder Caregiving Support
Demonstrated Positive Impact of Employer-Sponsored Dependent Care Supports

- Enhanced Recruitment/Retention*
- Reduced Absenteeism/Improved Productivity*
- Achieve/Maintain Employer of Choice Status

* Bright Horizons Lasting Impact Study, 2008
• The Consulting Practice at Bright Horizons undertook the study
• Very timely and critical topics for many organizations
• Provide additional information on the real benefits of offering employer-sponsored dependent care supports
Study Methodology

• The Consulting Practice at Bright Horizons conducted a survey of more than 4,000 adults working full time from across the U.S. (January 2010)

• Sample groups included:
  – Parent employees recruited through online research panels
  – Parent employees currently using Bright Horizons’ dependent care solutions
Comparison of two groups of respondents — parent employees with children under the age of 13:

1. *Employees who do not* have access to employer-sponsored child or adult care programs

2. *Employees who do* have access to, and have used, child or adult care supports sponsored by their employer during the past year
Families and Work Institute 2008:

• Higher levels of stress are associated with:
  – Lower overall health
  – Increased frequency of minor health problems
  – Higher likelihood of treatment for mental health
  – More indicators of depression
  – Higher frequency of sleep problems
  – Less energy for work and home
STRESS — The Impact on the Workplace

American Psychological Association, 2007:

- **Productivity:**
  - 55% of respondents said they were less productive at work as a result of stress

Randstad Group, 2007:

- **Absenteeism:**
  - 26% of Baby Boomers and 57% of Gen Y employees take unplanned days off due to stress
STRESS —
The Impact on the Workplace

*Watson Wyatt 2007/2008:*

- **Retention:**
  - Workplace stress is the most frequently cited reason U.S. employees consider leaving their jobs

*American Psychological Association 2007:*

- **Well-being:**
  - Nearly half of respondents report that stress negatively impacts their emotional well-being and physical health, resulting in irritability, anger, fatigue, and headaches
“Conflicts between work and family cause stress, which causes more migraines and higher blood pressure, which causes me to miss work, which causes more stress at work.”
We Asked Two Core Questions

• Do employees who have access to programs that help them balance their work and dependent care responsibilities experience better health outcomes?

• Are these employees more engaged in their work?
Dependent Care Supports

- Work-site child care
- Back-up care for well/mildly ill children
- Adult care
Dependent Care Users Have Less Stress over Personal Health

Personal Health Concerns Cause “Somewhat” or “Very” Significant Stress
N=3,129

- 36% of those without dependent care supports report stress.
- 27% of those with dependent care supports report stress.

25% reduction in stress.
Dependent Care Users Lose Less Productivity

Reported Productivity Lost Due to Stress (during previous month)

N=3,129

- No Dependent Care Supports: 11%
- Dependent Care Supports: 7.6%

31% reduction
Sleep Loss is Expensive to Employers

National Sleep Foundation:

• Sleep deprivation and sleep disorders cost American employers more than $100 billion annually in:
  – Lost productivity
  – Medical expenses
  – Sick leave
  – Property and environmental damage
The Impact of Sleep Loss

Center for Medicine in the Public Interest, 2009:
• Insomnia costs employers 4.4 days of wages per untreated employee every 6 months

Center for Medicine in the Public Interest, 2009:
• Employees with insomnia miss work twice as much as those without insomnia

Institute of Medicine, 2006:
• Sleep loss and sleep disorders are linked to an increased risk of diabetes, hypertension, obesity, depression, and heart conditions
Dependent Care Users Lose Less Productivity Due to Sleep Problems

Reported Sleep Problems that Affected Job Performance (during previous month)

N=3,129

<table>
<thead>
<tr>
<th>No Dependent Care Supports</th>
<th>Dependent Care Supports</th>
</tr>
</thead>
<tbody>
<tr>
<td>13%</td>
<td>8%</td>
</tr>
</tbody>
</table>

“Fairly” or “Very” Often

38% reduction
Work/Family Stress Impacts Mental Health

M.R. Frone Journal of Applied Psychology, 2000:
• In a study of 2,700 employed adults, when work/family conflict increased, so did the participants’ incidences of mood, anxiety, and substance dependence disorders

National Business Group on Health:
• Behavioral health problems cause employers more than 200 million work days each year in the U.S. — at an estimated cost of $105 billion
Dependent Care Users Report Fewer Mental Health Issues

Problems Experienced in the Last Month as a Result of Stress
N=3,129

- Feeling depressed or sad:
  - Dependent care supports: 30%
  - No dependent care supports: 40%

- Lack of interest, motivation, or energy:
  - Dependent care supports: 32%
  - No dependent care supports: 43%
Dependent Care Users Report Fewer Mental Health Issues

Problems Experienced in the Last Month as a Result of Stress
N=3,129

- Down, depressed, or hopeless: 37% (Dependent care supports) vs. 49% (No dependent care supports)
- Little or no pleasure in doing things: 29% (Dependent care supports) vs. 46% (No dependent care supports)
STRESS and Minor Health Issues

Families and Work Institute, 2008:

- Stress is associated with an increase of minor health problems including headaches, upset stomach, and insomnia.
American Psychological Association, 2007:

- Three-quarters of the respondents experienced physical symptoms during the past month due to stress, including:
  - Headaches
  - Fatigue
  - Upset stomach
  - Change in appetite
  - Feeling dizzy
Dependent Care Users Report Fewer Minor Health Issues

Health Issues Experienced in the Last Month as a Result of Stress
N=3,129

- **Headache**
  - Dependent care supports: 58%
  - No dependent care supports: 65%

- **Upset stomach/Indigestion**
  - Dependent care supports: 33%
  - No dependent care supports: 41%

- **Change in appetite**
  - Dependent care supports: 17%
  - No dependent care supports: 25%

- **Feeling faint or dizzy**
  - Dependent care supports: 9%
  - No dependent care supports: 14%
STRESS is also Connected to Major Health Issues


• Undergoing stress for long periods or enduring lower levels of stress in the workplace over the long term can lead to health problems, such as elevated blood pressure and high cholesterol.
Dependent Care Users Report Fewer Major Health Issues

Percent of Respondents Being Treated for Each Condition
N=3,129

- High blood pressure
  - Dependent care supports: 4%
  - No dependent care supports: 15%

- High cholesterol
  - Dependent care supports: 4%
  - No dependent care supports: 10%

- Diabetes
  - Dependent care supports: 2%
  - No dependent care supports: 6%

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Health Issues Cost Employers Time and Money

Impact of health issues on employer

Average annual sick days:
- Heart Disease: $5,523
- Diabetes: $5,472
- Depression: $5,415
- High Blood Pressure: $3,732
- Insomnia: $3,200

Average extra cost of healthcare claims:
- Heart Disease: 7.5
- Diabetes: 7.2
- Depression: 9.9
- High Blood Pressure: 5.4
- Insomnia: 15.8

Sources:
**2006, The InfoShop.com
Work/Life Stress is also Connected to Major Health Issues

“The time taken up by these varying and multiple demands reduces my ability to exercise and get relief from the stress. I’ve gained significant weight in the last year and my blood pressure has gone up. I am very concerned about the associated health risks of obesity, heart disease, and high blood pressure based on my condition.”
Jamie Ladge, Ph.D.

- Professor of Management & Organizational Development, Northeastern University
- Areas of expertise
  - Work/life integration
  - Pregnancy and parenting in the workplace
  - Influence of work and family dynamics on employee career satisfaction, engagement, and career choice
Defining Employee Engagement

Broad approach looking at quality of overall work experience:

• Attitudes toward the organization and the work itself
• Relationships with supervisors and coworkers
• Workplace culture
Engagement Matters

*Watson Wyatt, WorkUSA Driving Business Results Through Continuous Engagement, 2009:*

- When employees are highly engaged, their companies:
  - See 26% higher employee productivity
  - Have lower turnover risk
  - Are more successful attracting top talent
  - Earned 13% greater total returns to shareholders over the 5 years previous to the study
Engagement Matters

Watson Wyatt, WorkUSA Driving Business Results Through Continuous Engagement, 2009:

- Highly engaged employees:
  - Are 2 times more likely to be top performers
  - Miss 20% fewer days of work
  - Exceed or far exceed expectations on their most recent performance review (75% of engaged employees)
Engagement Matters

Towers Perrin, 2005:

- Employee engagement results in:
  - Higher product quality
  - Enhanced customer service
  - Better cost control
  - Greater employee loyalty
## Dependent Care Supports Positively Impact Employee Engagement

<table>
<thead>
<tr>
<th>Survey Question</th>
<th>Support N=1,457</th>
<th>No Support N=1,672</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have a good relationship with coworkers</td>
<td>96%</td>
<td>86%</td>
</tr>
<tr>
<td>I intend to stay at my place of work for at least one year</td>
<td>88%</td>
<td>79%</td>
</tr>
<tr>
<td>I enjoy working in my position</td>
<td>85%</td>
<td>80%</td>
</tr>
<tr>
<td>My organization promotes work/life balance</td>
<td>70%</td>
<td>47%</td>
</tr>
<tr>
<td>I have confidence in the leadership of my organization to navigate through</td>
<td></td>
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<tr>
<td>these tough economic times</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My job inspires me</td>
<td>55%</td>
<td>42%</td>
</tr>
</tbody>
</table>
## Dependent Care Supports Positively Impact Employee Engagement

<table>
<thead>
<tr>
<th>Statement</th>
<th>Dependent care supports N=1,457</th>
<th>No dependent care supports N=1,672</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel competent and fully able to handle my job</td>
<td>95%</td>
<td>90%</td>
</tr>
<tr>
<td>I am proud of the work I do</td>
<td>85%</td>
<td>79%</td>
</tr>
<tr>
<td>My work is valued in the organization</td>
<td>78%</td>
<td>70%</td>
</tr>
<tr>
<td>I feel my employer has effectively communicated how the economy is impacting our organization and the future</td>
<td>69%</td>
<td>55%</td>
</tr>
<tr>
<td>The mission or purpose of the organization makes me feel my job is important</td>
<td>68%</td>
<td>56%</td>
</tr>
<tr>
<td>I look forward to going to work</td>
<td>65%</td>
<td>52%</td>
</tr>
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“I feel I have a great work/life balance as a result of four-day work weeks with flexible hours (and the option of working weekends). We also have a wonderful on-site child care center. Certainly, the demands of a 14-month-old are great and some flexibility is required. I feel my job is ideal for working and raising a family.”
## Dependent Care Supports and Workplace Culture

<table>
<thead>
<tr>
<th>Activity</th>
<th>% Net Agree</th>
<th>Dependent Care Supports N=1,457</th>
<th>No Dependent Care Supports N=1,672</th>
</tr>
</thead>
<tbody>
<tr>
<td>My supervisor accommodates me when I have family or personal business to take care of — e.g., medical appointments, meeting with child’s teacher, etc.</td>
<td>91%</td>
<td>73%</td>
<td></td>
</tr>
<tr>
<td>I feel comfortable bringing up personal or family issues with my supervisor.</td>
<td>74%</td>
<td>58%</td>
<td></td>
</tr>
<tr>
<td>My supervisor really cares about the effects that work demands have on my personal and family life.</td>
<td>62%</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>I talk regularly to my coworkers about my child(ren) and family related matters.</td>
<td>74%</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>My coworkers are understanding when I have personal business to take care of — e.g., medical appointments, meeting with child’s teacher, etc.</td>
<td>82%</td>
<td>70%</td>
<td></td>
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</tbody>
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Why Offer Dependent Care Supports?

Dependent Care Support

| Full Service Child Care | Back-Up Child Care | Adult/Elder Care |

Health & Wellness, Engagement

Employees who use Dependent Care Supports:

- Are healthier than individuals who work for organizations that do not offer dependent care supports.
- Report less stress and fewer minor and major mental and physical health issues.
- Are less likely to report lost work and productivity due to stress.
- Are less likely to have considered looking for a new job because their current one is too stressful.

Return on Investment

- Increased productivity
- Lowered absenteeism
- Increased retention

Position as employer of choice
Enhanced employee engagement
Healthier workforce – reduced healthcare costs
Questions?

Please text us your question in the question box on your screen.

For more information about Bright Horizons, please contact us at (800) 453-9383 ext. 1600 or e-mail clientservices@brighthorizons.com

www.brighthorizons.com/employersolutions