EMPLOYEE BENEFITS THAT MEET SPECIAL NEEDS

1. WORK AND FAMILY


The American work force profile is changing and traditional benefits programs no longer meet employee and organizational needs. This publication is the result of a policy forum which discussed the changing attitudes of both employees and employers with respect to employee benefits and service needs set in the context of economic and demographic shifts. Employee benefit professionals, public opinion experts and futurists explored such topics as: 1) effects of changing family relationships on employee benefits programs, 2) the changing workforce profile, 3) experience with new benefit program. Corporate responses to the changing demands of workers include: offering day care assistance, recognizing job security as an employee concern, and assisting employees with such problems as home ownership loans and divorce.


This reader is a compilation of articles from such popular sources as the New York Times, Wall Street Journal and Business Week, as well as other publications. Examining the broad issue of work and family life, this reader offers an analysis of work force trends and corporation responses to changes in family life. A related document by the same publisher is Employed parents and their children: a data book (1982).


Prepared by the author for the Carnegie Corporation of New York, the aim of this report is to assess the nature and extent of existing employer responses to the needs of working parents. Among employer responses to family concerns outlined are: provision of child care services, employee counseling, alternative work schedules, work-at-home options, leave policies and flexible benefits. Factors affecting employer receptivity are discussed in-depth. The author believes that private-sector attention to family needs can meet important management objectives. Tables, appendix and bibliography supplement the report.

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** Items from this list should be ordered directly from the publisher. Addresses are given in connection with each reference.

The authors note that the interface between work and family is important and has not been sufficiently studied. A review of the available literature is offered. Government and corporate policies which relate to work and family are examined. In conclusion, the authors note that changes in work benefit structures are the most obvious place to start.


Employer sponsored services which direct themselves to help employees maintain the balance between work and family life is reaching widespread attention. This special report examines how the American family has changed and how employers should provide for their employees. As the number of working mothers and dual career families grow, companies will have to consider new non-traditional solutions to handling their needs. The author notes that a benefit package which offers flexible work schedules, child care programs, and other new services can also help a company recruit and retain workers, reduce turnover, and absenteeism and increase productivity. A *Personnel Journal* article which discusses flexible benefits plans appears January 1983 by Albert Cole, Jr. "Flexible benefits are a key to better employee relations" (pp. 49-53).

2. Employer Sponsored Child Care


This workbook is designed to explore the relationship between work and child care needs of employees. Government incentives supporting company programs are outlined by the authors. The authors also address some of the problems raised by child care programs such as the issue of benefit inequity and liability. Four basic programs outlined and discussed in detail are: 1) information and referral service, 2) providing assistance to existing programs or directly to parents, 3) the development of new programs, and 4) adjusting the work schedule. Each chapter is supplemented with supportive worksheets.


Employers have been prompted to reinvestigate employer sponsored child care programs since the passage of the Economic Recovery Tax Act of 1981 (ERTA). This brief report examines such child care assistance issues as: employer participation and costs, state and local regulations, outside funding sources, provisions of ERTA, and employer involvement in child care. The reasons why some employer sponsored programs have failed are discussed.


This survey of employer-sponsored day care centers include those sponsored by industries, government hospitals, labor unions, and the armed services.
Reported benefits included lower job turnover rate, lower absenteeism, easier recruitment and improved employee attitude. Also by Perry is Child care centers sponsored by employers and labor unions in the United States (Education Research Information Center, Arlington, VA 1980, 10 pp. ED 200331).


Employer-sponsored child care, the author explains, is not a "new phenomenon" but grew as a response to economic conditions during the 1940's. Interest in child care services, he continues, is based on both demographic and productivity factors. Inflation, divorce and the women's movement have contributed to a greater need in child care services. Tardiness, absenteeism, and turnover appear to be directly related to child care services. In addition to reducing absenteeism, other benefits of employer-supported child care are improved employee attitude, productivity increases and attraction of new employees. A variety of child care plans are discussed.


Labor force participation of women with pre-school children grew by 55 per cent between 1970 and 1982 according to the Department of Labor. The need for child care during the workday, as a result, has also grown dramatically. This second edition report examines employer/labor involvement in programs that support working parents. Chapters of this report cover: 1) guidelines for assessing the need for child care, 2) planning and cost analysis, 3) funding sources, 4) tax issues, and 5) program components of a child care center. Finally a variety of nationwide surveys are reviewed and discussed. Two related government reports are Trends in child care arrangements of working mothers (Bureau of the Census, Current Population Reports, P-23 No. 117, June 1982) and Children of Working Mothers (Bureau of Labor Statistics, Bulletin 2158, March 1983). The bulletin discusses the increase in the number of children with working mothers and the reasons for this growth. It consists of an article first published in Monthly Labor Review, February 1982.

3. EMPLOYER-PROVIDED SERVICES AND BENEFITS:


Employer services are defined as work benefits which are "over and above traditional fringe benefits" and "usually provided at little or no cost to the employee." Among the services outlined by this survey are: food, health and medical, legal, financial, recreational and child care services. Manufacturing, service and governmental organizations are represented in this report.


Fringe benefits, the author notes, are compensation other than wages or salaries. Currently, such benefits comprise more than 35 percent of employee compensation and this figure increases annually. Traditionally, benefit programs were designed to "fit the needs of the breadwinner and
dependent spouse." However, changes in the profile of the labor force as well as the realities of new life styles have led companies to reconsider benefit programs. The author discusses new directions in fringe benefits which would increase the level of existing benefits, keep the cost down, and increase employee moral. He predicts that the area of "services and prerequisites" which include employer provided recreation facilities for example, will have a major increase in their appeal.


Faced with the ever-rising costs of employee benefits and the emergence of the two-career family, many companies are re-evaluating their benefits packages. Special benefits such as paternity leave, flexible hours, adoption benefits and child care programs have become attractive and necessary. A brief review of some current benefit packages at major companies is offered.


Trends in workplace demographics which point to the need for flexible forms of compensation include: 1) an increase in labor force participation by women, 2) a rise in two pay check families, 3) growth in the number of younger workers, and 4) a rise in the educational levels of workers. Seltz and Gifford conclude that flexible compensation systems are being shaped and influenced by these important demographic realities. Finally, such factors as cost containment, tax effectiveness and favorable employee attitudes are cited as benefits for the employer. A related book by AMA is Managing the Employer Benefits Program by Robert M. McCaffery (1983).


This report addresses the following question "How well does your compensation strategy relate to fringe benefits and to change?" Demographic trends affecting benefits are outlined briefly. Two other influences prompting a change in employee benefits are changing employee values and the tax advantages of the new flexible benefits legislation. A pro/con perspective on flexible benefits is presented.

4. ALTERNATIVE WORK SCHEDULES


Chapter 5 of this monograph is titled "The effects of new work schedules on family life and on men and women as individuals." Three reasons cited for job sharing are: 1) it allows a better balance between work and family, 2) it permits men and women to change stereotyped sex roles, and 3) it helps accommodate work-life changes over the life cycle.


The authors found that absenteeism rates were significantly lower under the flexible work schedule. Married women and mothers had the lowest rates of absenteeism working under a flexible schedule.