



Paid Leave: What Do Employees Really Need?

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Presenters



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The Importance of Benefits



A comprehensive benefits package can.....

- Attract and retain talent
- Promote a positive employee experience
- Support mental and behavioral health
- Meet the evolving expectations and demands of employees




But there are some challenges.....


- Keeping up with regulatory requirements for Paid Family and Medical and Sick Leave laws
- Benefits can be complicated, and many employees do not understand them.
- Many organizations lack resources and tools to guide employees through benefit programs
- Benefits **COST** money!

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Workplace Benefits





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Audience Participation!



- Which employer provided leave benefit do you value most?




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Survey Says....

"Absence management certainly is continuing to be a growing area, especially relative to disabilities and those types of things...." - Broker (500+ employee segment)


- Employees most value:

PTO, Vacation, Sick Leave	5
Paid Family and Medical Leave	Bereavement
3	7
Short-term and Long-term disability	Sabbatical



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PTO, Vacation, Sick



Overall, employees point to PTO, vacation, and sick time as the most important aspect of a benefits package

70% of organizations combine these leaves into one paid time off

Increasing trend towards unlimited PTO policies

Considerations

- Can employees use time immediately or do they have to accrue it first?
- Will available time increase with tenure?
- Will all time be tied to one bank, or will sick, vacation, and personal time be tracked separately?
- Can time be carried over year to year? If so, is there a cap on rollover hours?

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Source: SHRM, 2023, Employee Benefits Survey: Executive Summary

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Paid Family Leave

2023 benefit changes are trending toward family support: paid parental, caregiver, adoption

33% of employers now offer paid leave to care for immediate family members and 18% of employers provide paid leave to care for extended family

State mandated paid family and medical leave programs continue to increase access to paid leave benefits for employees

Three-quarters of Americans who support parental leave believe pay should come from employers rather than the state or federal government

56% of employees that took parental leave say they took less time off than they needed or wanted to



Considerations

- What relationships are included in the family member definition?
- Will there be full or partial income replacement?
- How can the policy bridge inequities created by state mandated programs?
- What duration of leave will be allowed?

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Source: SHRM, 2023, Employee Benefits Survey: Executive Summary; Pew Research Center, Americans Widely Support Paid Family and Medical Leave, but Differ Over Specific Policies

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Short-term and Long-term Disability

Disability plans typically replace a percentage of employee's income during medical leave

Can be purchased through an insurance company

43% of employees have access to employer provided short-term disability coverage

35% of employees have access to employer provided long-term disability coverage

Considerations

- Will the plan be self-insured or fully insured?
- How will the plan be structured? (i.e., eligibility, elimination period, benefit percentage, exclusions)
- Will employees contribute to the premium cost?



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Source: Bureau of Labor and Statistics

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Bereavement and Sabbatical Leave

Bereavement leave allows time off following the death of a loved one

The number of days available may depend on the relationship

Companies may include pregnancy loss under their bereavement policies

California, Illinois, Maryland, Oregon, and Washington have passed laws requiring employers to provide bereavement leave

Sabbatical leave is rare outside of academic or religious settings

Fewer than 10% of employers offer sabbatical leave

Sabbatical leave allows employees to grow skills and come back refreshed to prevent burnout

Considerations

- What relationships qualify under bereavement?
- Will the leave be paid or unpaid?

Sabbatical leave allows time off for employees to pursue interests or rest





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Baby Boomers

Born between 1946 and 1964
Boomers make up 25% of the workforce

For this generation, there is a heavy focus on health and retirement benefits, but paid time off is also a priority

Employees of this generation tend to put more focus on traditional benefits and less on other benefits such as health wellness programs (38%), student loan assistance (13%), and pet insurance (6%)

Benefit	Importance
PTO, Vacation, Sick Time	88%
Paid Family Leave	65%
Short-term Disability	57%
Long-term Disability	56%
Other Notable Benefits	
Medical Insurance	88%
Retirement Savings	81%
Flexible work schedule	63%
Mental Health Benefit	38%

Sources: Pew Research Center, Labor Force Composition by Generation; UMRA, 2023; BEAT Study; Benefits and Employee Attitude Tracker

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Gen X

Born between 1965 and 1980
Gen X makes up 33% of the workforce



Benefit	Importance
PTO, Vacation, Sick Time	91%
Paid Family Leave	72%
Short-term Disability	59%
Long-term Disability	60%
Other Notable Benefits	
Medical Insurance	87%
Retirement Savings	83%
Flexible work schedule	67%
Mental Health Benefit	46%

For this generation, there is a heavy focus on retirement planning, work-life balance, caretaker benefits, and vacation time

Gen X puts more focus on work-life balance, so sabbatical time may be a desirable benefit

Gen X focuses less on voluntary benefits, such as accident (47%), critical illness (47%), and hospital indemnity (42%)

Student loan assistance (20%) and pet insurance (9%) also rank low

Sources: Pew Research Center, Labor Force Composition by Generation; UMRA, 2023; BEAT Study; Benefits and Employee Attitude Tracker

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Audience Participation!



What do employees need while preparing for and during their leave?




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Survey Says....

"I found the paperwork intimidating/confusing... it was difficult to find the right person to help answer my questions and reassure me that I was doing things correctly. Having access to that kind of support would have relieved a lot of my stress and anxiety during an already stressful and anxious time!" - 26-34, Female

During their leave journey, employees need:

Emotional Support	5
2	6
3	Return to Work Assistance
Direction	8



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Prior to Leave

"Taking any kind of leave is stressful and having tools in place to provide assistance during this time is helpful. I wish my company had a better process before my leave so that I felt confident that I wasn't missing anything." - 35-44, Female

Key takeaway: employees want basic questions answered before they go on leave



"I felt intimidated by the paperwork and terminology used and I was anxious that I would miss a step." - 35-44, Female

Employees need direction around leave options and expectations

Stressors include:

- Lack of knowledge around leave options
- Unclear process for filing
- Confusion around paperwork
- Lack of insight into the approval process
- Confusing jargon
- State leaves and concurrent benefits
- Surprise waiting periods

Employers can support by:

- Advising of leave options, eligibility requirements, and company policies/procedures
- Providing required information and documentation to file a leave
- Connecting employee with third party administrations and other resources



Source: Muhl of Omaha, 2023, Quarter 1 Leave Management Report

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During Leave

Key takeaway: employees want emotional support before, during, and after leave


Employees need support to decompress during their leave

Stressors include:

- Lack of external resources for emotional support
- Unexpected differences in payment schedules
- Monitoring leave updates through work email can be disruptive

Employers can support by:

- Keeping employees informed of leave approval
- Providing reminders at key points during leave
- Communicating using the employee's preferred method to stay connected on status updates
- Supporting return to work plans
- Connecting employees with EAP



"To be honest, other than the leave application being a straightforward process, I haven't really felt supported. The HR officer reaches out to me about once a week to see how my recovery is progressing, but that's pretty much it."

Source: Mutual of Omaha, 2023, Quarter 1 Leave Management Report - 26-34, Male

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Post Leave

Employees need emotional support when transitioning back from leave


Stressors include:

- Emotional support is hard to find
- Adjustment to going back to work

Employers can support by:

- Establishing return to work plans prior to leave, when possible
- Guiding employees toward return-to-work resources to assist with:
 - Accommodations
 - Lactation support
 - Mental health support services
 - Childcare coordination

Key takeaway: employees want resources to ease the transition back to work following leave




"It was mentally hard getting used to not being with your new child just after them being born a few months prior." - 35-44, Female

Source: Mutual of Omaha, 2023, Quarter 1 Leave Management Report

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Technology



Source: Mutual of Omaha, 2023, Quarter 1 Leave Management Report

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Audience Participation!



- What do your employees value most in a leave management digital tool?




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Survey Says....

"I would be okay with either [website or app], a mobile friendly website is sometimes way easier than downloading an app." - 35-44, Female

- Employees desire a digital tool that offers:

Integration	5
2	Leave Management
Education	7
4	8




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One-Stop-Shop to Empower Employees

Timely Reminders Ensure employees are submitting information on time	Designated Support Reliable resources to assist with complex questions	Consistent Updates Provides status and payment information in real time	Streamlined Organization User friendly interface and useful features	Leave Tracking Integrates with other types of leave in cases where employees are eligible for multiple benefits
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"I would love for the tool to be more interactive... Having a chat or even a checklist with links to the forms would have been super helpful." - 35-44, Female



Source: Muhal of Omaha, 2023, Quarter 1 Leave Management Report

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Leave Management Tools Aren't Just For Employees



Compliance
Absence management technology can help employers stay up to date on changing paid and unpaid leave laws.

Trends
Access to data through leave management tools can help employers evaluate benefits.

Time saving
Technology can increase accuracy and efficiency for HR teams managing employee leave benefits.

"HR could be WAY more knowledgeable of the process."
- 35-44, Female

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Diversity Management & Employee Consulting
Source: Mutual of Omaha, 2023, Quarter 1 Leave Management Report

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Questions?




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Thank you!

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