# The Business Case for Supporting Carers in the Workplace

# Background

BUSINESS IN THE COMMUNITY

There are almost seven million carers in the United Kingdom<sup>1</sup>. Carers are classed as people providing unpaid care for an ill, frail or disabled family member or friend. A significant proportion of UK carers are of working age – around 60% (4.27 million) - and around 3 million carers are in work (1 in 9 people of the UK workforce).

The number of carers is rising. The 2011 census figures show an 11% increase in the number of carers since the last census in 2001 - an increase of 620,000 to 6.5 million in just 10 years. This number is expected to rise dramatically over the coming decades to reach 9 million by 2037<sup>2</sup>. Amongst working carers alone the number is set to increase by nearly 1.5 million<sup>3</sup>. This increase is driven by a number of factors, including tighter public sector budgets for care and support services and an ageing population – according to the Carers Trust, the number of people over 85 in the UK, the age group most likely to need care, is expected to increase by over 50% to 1.9 million over the next decade.

Despite this high and growing need for support, a significant proportion of working carers are not receiving support from employers to help balance work and caring responsibilities – the recent 'The State of Caring Survey' (2013) conducted by Carers UK found that 22% of carers said that their employers were not supportive of their caring role while 25% indicated that their employers were sympathetic but did not offer any support.



<sup>&</sup>lt;sup>1</sup> The Carers Trust (2014) Key facts about carers, <u>https://www.carers.org/key-facts-about-carers</u> <sup>2</sup> Carers UK (2014)Facts about carers 2014 <u>http://www.carersuk.org/for-professionals/policy/policy-library/facts-about-carers-2014</u>

<sup>&</sup>lt;sup>3</sup> Employers for Carers (2015) The Business Case for Supporting Working Carers.

BUSINESS IN THE COMMUNITY

However, the tide appears to be turning and employers are increasingly recognising caring as a key issue for workforce retention, recruitment and resilience. A recent employer benefits survey by Employers for Carers<sup>4</sup> to which 223 organisations responded found that the majority of employers surveyed considered that supporting carers in the workforce had a major or some benefit in terms of:

- Their ability to attract and retain staff;
- Reducing recruitment and training costs;
- Reducing sick leave and absenteeism;
- Increasing productivity and improving service delivery;
- Producing cost savings and increasing staff morale; and
- Improving staff engagement, people management and team working

This briefing explores some of these business benefits in greater depth, focusing on attraction and recruitment, retention, and employee engagement and productivity. It concludes with some suggested actions to improve support for carers in the workplace.

### Attraction and recruitment

Today's recruitment terrain is one in which the pool of skilled labour has not kept pace with demand. Additional support for carers in the workplace will give businesses an advantage in competing for and acquiring talent – 61% of employers surveyed in the recent Employers for Carers survey indicated that supporting carers in the workplace improved their ability to attract candidates. This advantage is one that can only grow with time as a result of demographic changes and the resulting rise in the number of carers.

Carers account for a significant proportion of the total potential working-age recruitment pool – 1 in9 working-age adults in the UK is a carer. With more than 375,000 young adults (aged 14-25) caring for ill or disabled relatives in the UK, support for carers in the workplace may be a decisive factor in recruiting young talent. Furthermore, the peak age for caring is 50-64<sup>5</sup> when many employees have gained valuable skills and experience and are in a prime position to enter into management or leadership positions. This age group is also most likely to leave work due to caring responsibilities and, as such, support for carers may offer an opportunity to recruit talent from this age group lost due to lack of support elsewhere.



<sup>&</sup>lt;sup>4</sup> Carers UK for Employers for Carers/HM Government Task and Finish Group (2013) 'Business Benefits of Supporting Working Carers'. London: Carers UK. <sup>5</sup> Around 2 million carers fall into this age group.

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Finally, there is evidence to suggest that improved support for carers could also impact favourably on women's and BAME representation in the workplace – women and ethnic minorities both face an increased likelihood of assuming caring responsibilities. As such, additional support for carers may help employers recruit more diverse talent.

# Retention

Many carers struggle to combine work and care. It is estimated that in the UK 300,000 people give up work to care each year<sup>6</sup>. This loss of employees with caring responsibilities is seriously damaging to employers. Firstly, carers leaving the workplace results in a loss of talent. For instance, many carers leaving the workplace tend to be concentrated in 45-64 age range, an age group likely to have valuable skills and experience and perhaps en route to entering positions. Not only do they directly contribute to creating value for their employers, they also manage and help develop other employees which is also a lost opportunity. Secondly, losing employees, particularly in the advanced stages of their careers can see employers incur substantial costs in terms of recruitment and lost productivity because they will often have invested significant amounts in training and developing these employees. For instance, the Corporate Leadership Council estimates that the cumulative costs to employers of an employee leaving work are equal to an employee's last salary, while Hay Group suggests it could cost anywhere from 50-150% of their salary<sup>7</sup>.

Furthermore, there is also evidence to suggest that lack of support for carers in the workplace may be disproportionately impacting already underrepresented groups. With women accounting for 3 in 5 carers<sup>8</sup>, additional support for carers in the workplace will also by extension impact positively on female representation in the workplace. Indeed, as research conducted by Business in the Community in 2013 found, caring for elderly parents or relative is among the main reasons for women choosing to leave work, with 5% of non-parents and 2% of parents indicating that they left the workplace for this reason<sup>9</sup>. Similarly, ethnic minorities are more likely than their white counterparts to assume caring roles<sup>10</sup> and

"I requested flexible working (same hours over fewer days) to support caring for my husband in line with company policy. My male line manager refused... 8 months later I was told by my doctor to take 6 weeks off work due to exhaustion following caring and working full time. At this point I decided to hand in my notice. I am now a full-time carer" (survey respondent, Project 28-40).

accordingly, improved support for carers could also result in positive changes in terms of retention of BAME staff in in the workplace.

<sup>&</sup>lt;sup>10</sup> O. Khan et al. (2014), 'Caring and earning among low-income Caribbean, Pakistani and Somali People'. York: Joseph Rowntree Foundation.



<sup>&</sup>lt;sup>6</sup> D. Grayson (April 2013), 'Carers: A business opportunity and social responsibility', Ethical Corporation. <sup>7</sup> Employee Engagement Task Force Nailing the evidence workgroup (12 November 2012) Engage for Success : The Evidence <sup>8</sup> The Carers Trust (2014) Key facts about carers, <u>https://www.carers.org/key-facts-about-carers</u>

<sup>&</sup>lt;sup>9</sup>K. Nawrockyi et al. (2013), 'Project 28-40: The Report'. London: Business in the Community.

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As such, support for carers presents an opportunity to reduce recruitment and training costs, better manage and develop junior talent as well as to improve gender and race diversity in the workplace. These business benefits are clearly demonstrated in the case of Centrica, a company leading the way in terms of carers support, which saw reduced recruitment costs and turnover and retention of talent and expertise to the value of around £2 million<sup>11</sup>. Indeed, retention and associated benefits were highlighted as one of the main benefits of supporting carers in the recent Employers for Carers survey – with 92% of employers surveyed stating that support for carers impacted positively on staff retention.

# **Productivity and Engagement**

Alongside the increased risk of attrition amongst carers, there is a clear link between caring responsibilities and reduced productivity, engagement and skills utilisation. According to a recent Carers UK survey, just over 1 in 5 respondents said their work was negatively affected as a result of caring<sup>12</sup>. These negative impacts are highest amongst those aged 45-64 where 1 in 4 reported that caring responsibilities had taken a toll on their work. Caring is linked to increased absenteeism and lost potential as employees may be choosing positions based on them being locally based, flexible or less demanding rather than the best fit for the individual<sup>13</sup>.

The recent 'Supporting Working Carers' report identified 'increased employee resilience in terms of health, productivity and engagement' as one of the main ways in which additional support for carers can benefit business. This view is also clearly shared by business. Employers surveyed as part of the Employers for Carers survey indicated that the biggest benefit that can be received from supporting carers in the workplace was increased staff morale and loyalty (93%). 88% of employers considered there to be a positive correlation between reducing sick leave and absenteeism and 85% expected improved staff engagement as a result of supporting carers. These findings are mirrored in the impacts Business in Community members such as Centrica have seen following increasing the support provided to carers in the workplace: Centrica found that after improving their support for carers, staff are better engaged and absenteeism has been reduced, saving the business approximately £4.5 million<sup>14</sup>.

https://www.centrica.com/media/3247/centrica\_carers\_guide.pdf

<sup>12</sup> Carers UK (2013) The State of Caring

https://www.centrica.com/media/3247/centrica\_carers\_guide.pdf



<sup>&</sup>lt;sup>11</sup>Business in the Community (2015) Centrica -

<sup>&</sup>lt;sup>13</sup> Carers UK/Employers for Carers/HM Government Task and Finish Group (2013) 'Supporting Working Carers – The Benefits to Families, Business and the Economy', London: Carers UK. <sup>14</sup> Business in the Community (2015) Centrica -

### What would better support for carers look like?<sup>15</sup>

### Flexible/agile working:

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The need for flexible working arrangements in the workplace was highlighted repeatedly by 28-40 respondents as key to enabling carers to balance work and caring responsibilities. As the recent Employers for Carers survey demonstrated, many employers have some kind of flexible working policy in place with 94% of employers supporting carers via flexible working, 83% via flexible/special leave (e.g. unpaid sabbaticals) and 50% via remote working.

### Carers' network

The creation of a workplace carers' network can provide an opportunity for information sharing and support for carers in the workplace<sup>16</sup>

### Advice and support for carers

The recent 'Supporting Working Carers' report recommends that signposting employees to appropriate information on care and support services can enable them to combine work and care and diminish the chances of leaving work at the onset of caring responsibilities

#### Other

- Emergency back-up care in the event of care services falling through. •
- Promotion and embedding of flexible attraction policies to recruit carers (e.g. interviews outside of office hours, closer to carers place of residence).



<sup>&</sup>lt;sup>15</sup> See<sup>:</sup> https://www.centrica.com/sustainability/carers/

<sup>&</sup>lt;sup>16</sup> For further examples of best practice see: <u>https://www.employersforcarers.org/</u>