



The Prince's  
Responsible  
Business Network

Toolkit

# THE CASE FOR EQUAL PARENTAL LEAVE

2023

A toolkit for practitioners covering why this policy matters,  
and how to effectively implement it

# INTRODUCTION: TOOLKIT ON EQUAL PARENTAL LEAVE

## BACKGROUND

- BITC's *Who Cares?* campaign uncovered a gap between the 'wants and needs' and lived experience of working carers in the UK (44% of the workforce).
- This has a high cost, pushing certain groups down and out of work – for example, 60% of women carers and 50% of carers from Black, Asian, Mixed Race or other ethnically diverse backgrounds said that their caring responsibilities had prevented them from applying for a new job or promotion.
- Failing to support working carers is undermining gender equality at work (and beyond) and impacting the inclusion and progress of other intersectional groups.
- The campaign recommends four actions for employers to best support working carers:
  - 1 Consider caring the norm, not the exception
  - 2 Champion equitable access to care in your policies
  - 3 Ensure your culture empowers men to care
  - 4 Support more men to work flexibly
- Despite childcare being the most common caring responsibility for working carers in the UK (72%) there remains a large discrepancy in statutory and enhanced maternity and paternity leave provisions available to new parents. Offering more equitable parental leave policies is a priority policy change for employers to address gender inequality at work. Equal parental leave enables and encourages all parents, regardless of gender, to take time out to care for their new-borns, and can set a precedent for more equal sharing of childcare going forward.

# INTRODUCTION: TOOLKIT ON EQUAL PARENTAL LEAVE

## OBEJECTIVES

- This toolkit outlines **key insights on equal parental leave** – why it is important, the benefits and costs, best practice examples and a roadmap for implementation.
- These materials aim to **support practitioners** to successfully advocate & deliver equal parental leave within their organisations.

### This toolkit can help in following areas:

- Leading a conversation on why equal parental leave is important.
- Positioning key facts surrounding gender, care and work.
- Building a business case on costs and benefits of equal parental leave.
- Designing and implementing a successful equal parental leave policy.
- Learning from other companies who have managed the change process.

# SUMMARY: EQUAL PARENTAL LEAVE – THE CASE FOR EMPLOYERS



## AMBITION

Offer a market-leading equal parental leave policy to better support employees, challenge outdated gender norms, and show commitment to EDI progress.



## CONTEXT

UK parental leave policies are highly unequal with lasting implications for gender equity – unequal parental leave is a key structural barrier to closing the gender pay gap. To address this, an increasing number of employers are enhancing and equalising parental leave to rebalance the burden of care.

## BUSINESS CASE

### THERE IS A COST

Backfill longer absences (incremental cost)

~2-3% of payroll to invest in required backfills



### WHICH PROVIDES A HOST OF COMPELLING BENEFITS

Retain and attract top talent

Savings from reduced replacement & hiring costs

Reap benefits of more diverse teams

Diverse & inclusive teams 5x more likely to innovate

Increase employee engagement

Engaged employees are 3x more productive

Address gender pay gap

Unequal parental leave drives up to 70% of UK workforce gender pay gap

Announce bold public CSR move

Job seeker searches for term “diversity” up +220%

## WINNING APPROACH

### ROBUST POLICY

- Offer 26+ weeks fully paid leave to all parents, regardless of gender, with minimal eligibility limits
- Require majority of leave to be taken in one go, and invest in backfills

### ACCOMPANYING BENEFITS

- Invest in broad set of employee benefits and resources to help parents thrive on return to work
- E.g., flexibility options, buddy scheme, parents network, return to work coaching, ante/post-natal benefits, childcare subsidies

### SUPPORTIVE CULTURE

- Take broad action to foster a culture that empowers employees to balance work and care
- E.g., visible senior role models, training for line managers of parents, proactive HR reach-outs, tracking of policy uptake

## ROADMAP

This journey can be achieved in phases over 1-2 years to manage shifting operational needs

Emerging

Developing

Leading

# BACKGROUND: VARIATIONS OF PARENTAL LEAVE IN UK; OF THESE, EQUAL PARENTAL LEAVE BEST-IN-CLASS FOR TACKLING GENDER DISPARITY

	Basic policy	Enhanced policies			Best-in-class policy
	Statutory leave	Enhanced Maternity leave	Enhanced Paternity leave	Enhanced Shared Parental leave	Equal Parental leave
Description of policy	<ul style="list-style-type: none"> <li>• Leave and pay at the statutory minimum</li> <li>• Maternity of 6 weeks at 90% pay, 33 weeks £157/week, and 13 weeks unpaid</li> <li>• Paternity of 1-2 weeks at £157/week</li> <li>• Birthing parent can transfer leave to their partner under a shared parental leave scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Leave and pay for primary caregiver parent above statutory minimum</li> <li>• Typical range of 16-26 weeks fully-paid (within total of 52 weeks leave)</li> <li>• Leave is ringfenced for primary caregiver parent</li> </ul>	<ul style="list-style-type: none"> <li>• Leave and pay for secondary caregiver above statutory minimum (but typically not as generous as maternity leave)</li> <li>• Typical range of 1-6 weeks fully-paid</li> <li>• Paid leave is ringfenced for secondary caregiver</li> </ul>	<ul style="list-style-type: none"> <li>• Leave and pay for both parents above statutory minimum, but length is caveated</li> <li>• Leave must be transferred from maternity leave-taker to the paternity leave-taker to enable them to take more than their standard paternity provision</li> </ul>	<ul style="list-style-type: none"> <li>• All parents offered same parental leave and pay with no distinction of maternity and paternity leave</li> <li>• Typical range of 12-26 weeks fully-paid (within total of 52 weeks leave)</li> <li>• Leave is ringfenced for each parent</li> </ul>
Implications of policy	<ul style="list-style-type: none"> <li>• Provides minimal financial support to the family and <b>may widen the gender pay gap</b></li> </ul>	<ul style="list-style-type: none"> <li>• Enables birthing parent to take more time off, but in absence of paternity support it <b>may widen the gender pay gap</b></li> </ul>	<ul style="list-style-type: none"> <li>• Removes financial barrier to non-birthing parent, but without matching maternity leave, it <b>may perpetuate gender pay gap</b></li> </ul>	<ul style="list-style-type: none"> <li>• Enables flexibility for parents, but <b>unlikely to address the gender pay gap as uptake is low</b> (financial barriers, lack of awareness etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Incentivises both parents to take equal time off to care, this is most likely to <b>tackle the gender pay gap head-on</b></li> </ul>

See next page for further comparison

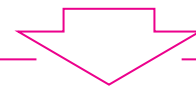
Note 1\* See Endnotes.

# BACKGROUND: SHARED PARENTAL LEAVE ATTEMPTS TO BALANCE PROVISIONS, BUT OUTCOMES FALL SHORT VS. EQUAL PARENTAL LEAVE

## Shared Parental Leave

## Equal Parental Leave (EPL)

Description	<ul style="list-style-type: none"> <li>• <b>Maternity leave-taker shares leave with partner</b> to enable them to take more than their standard paternity provision</li> <li>• Employees can share <b>up to 50 weeks leave</b> with their partner (depending on how much maternity leave is taken) and employers may choose to pay a portion of this leave at an enhanced rate at their discretion<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• <b>All parents offered same parental leave and pay</b> with no distinction of maternity and paternity leave (primary vs. secondary caregiver)</li> <li>• All employees receive a <b>total of 52 weeks leave</b>, paid at least at level of statutory maternity; however employers typically offer in range 12-26 weeks fully paid leave</li> </ul>
Uptake (avg.)	<ul style="list-style-type: none"> <li>• Very low (&lt;5%)</li> </ul>	<ul style="list-style-type: none"> <li>• High (&gt;80%)</li> </ul>
Pros	<ul style="list-style-type: none"> <li>• Enables some <b>flexibility for parents</b> vs. standard maternity/paternity policies</li> </ul>	<ul style="list-style-type: none"> <li>• Paid leave is <b>ringfenced for each parent</b> meaning that there is no financial penalty for men to take leave and no requirement for maternity leave-takers to reduce their leave, <b>resulting in higher uptake</b></li> <li>• <b>Incentivises all parents to take time off to care</b>, helping to tackling the gender pay gap head-on by rebalancing care responsibilities</li> </ul>
Cons	<ul style="list-style-type: none"> <li>• <b>Highly complex to administer</b>, and hard for parents to understand</li> <li>• Requires parents to <b>make a financial trade off</b> as to who takes the leave (bulk of shared parental pay often low / unpaid) and for maternity leave-taker to <b>forfeit some of their leave</b></li> <li>• As a result, uptake is low so this is <b>unlikely to meaningfully rebalance</b> parental polices and the gender imbalance of care</li> </ul>	<ul style="list-style-type: none"> <li>• May be <b>more expensive and operationally complex</b> for employers vs. enhanced shared parental leave given high uptake of policy</li> </ul>



EPL is simple to understand and removes financial trade-offs – driving higher uptake and improved outcomes

Note 2\* See Endnotes.

## CONTENTS

---

### The case for equal parental leave

Status quo of UK parental leave shows clear need for change; UK employers are taking action by equalising parental leave to address persistent imbalances

### Benefits and costs for employers

There is a cost for this policy, but it delivers a host of benefits – talent attraction and retention, more diverse teams, increased employee engagement, progress on gender equity, and a bold public CSR commitment

### Best practices roadmap

Implementing a best-in-class environment for parents can be done in phases – alongside the policy journey, accompanying benefits and a supportive culture are key to success

### Case study examples

Examples from first movers can help chart your path at each stage of the journey to launching the right policy, benefits, and culture

# WE LIVE IN A CONSTANTLY EVOLVING WORKPLACE

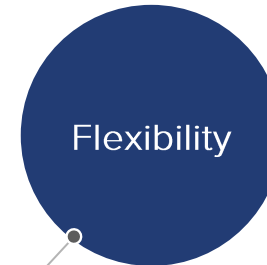
Employers are grappling with retaining the new generation of workers

- The average worker will now change jobs 12x in their life



COVID-19 pandemic has driven a 'new normal' for ways of working

- UK workers now rank flexibility above salary and job security in importance



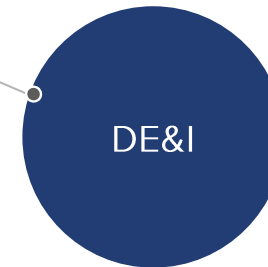
Economic pressures creating tough environment for firms & employees

- The cost-of-living crisis is straining household budgets; 43% of mothers considering leaving workplace due to childcare costs



Diverse representation and inclusion in the workplace increasingly important

- Job seeker searches for the term "diversity" rose +220% year on year in 2020



As a society, we are challenging traditional stereotypes / norms

- ~95% of employees think caring responsibilities should be shared equally, regardless of gender

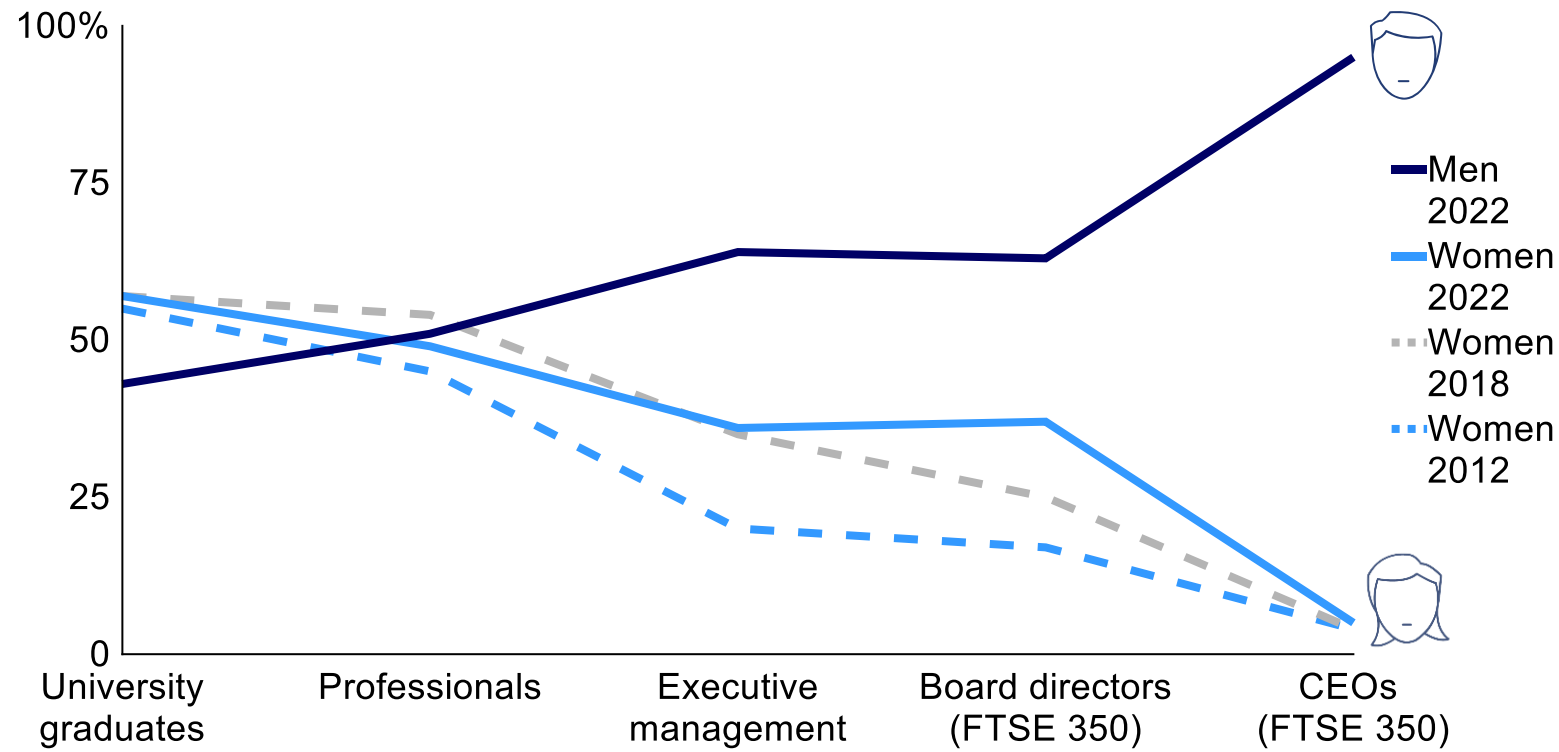
Note 3\* See *Endnotes*.



# WE ALSO HAVE A WAY TO GO ON WORKPLACE GENDER EQUITY IN THE UK; SLOW PROGRESS IN LAST ~10 YEARS

Female representation at senior levels remains low and the gap is large vs. men

Percentage of populations (%)



## Key takeaways

- In the last 10 years, female representation at senior levels has seen **slow progress**
  - % of female FTSE 350 CEOs has not improved, holding constant at ~5%
  - % of female FTSE 350 board directors has doubled since 2012, but a gap remains
  - % of women in executive management grew between 2012-18, but has since stagnated
- Slow pace of progress also evident in UK's **gender pay gap** – since 2012, the pay gap for full-time workers showed minor improvement only, decreasing 1.6% (from 9.5% to 7.9%)

Note 4\* See *Endnotes*.

# EQUAL PARENTAL LEAVE CAN MOVE THE NEEDLE ON SEVERAL FRONTS...



## 58%

Women say caring responsibility stopped them applying for promotion or new job



## 1 in 5

Women have left a job due to difficulties balancing work and care



## 1 in 2

Carers from a Black, Asian, Mixed Race or other ethnically diverse background say caring responsibility stopped them applying for promotion or new job



## #1

Carer support ranked top vs. other non-salary initiatives for increasing desire to stay with employer

EPL helps to tackle gender equity and the gender pay gap

EPL enables men to take an active caring role, providing flexibility and relieving financial trade-offs

EPL is another lever for improving racial equity by supporting minority groups with greater caring responsibilities

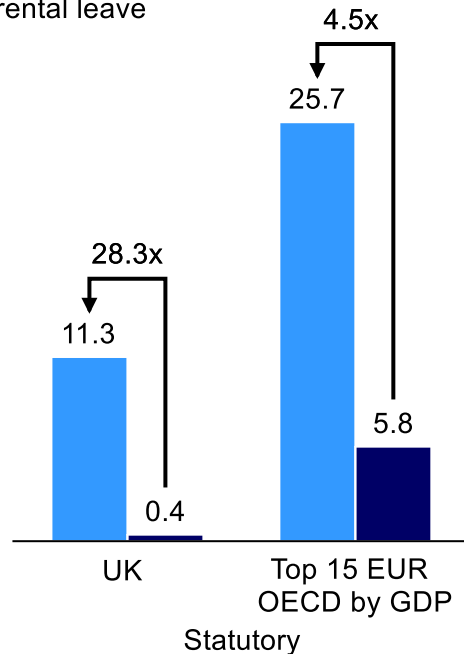
EPL improves talent retention by providing better carer support, a sought-after benefit

# ...AND CURRENT UK PARENTAL LEAVE LANDSCAPE SUPPORTS THE CASE FOR CHANGE TO EQUAL PARENTAL LEAVE

■ Maternity leave ■ Paternity leave

## UK statutory lags peers

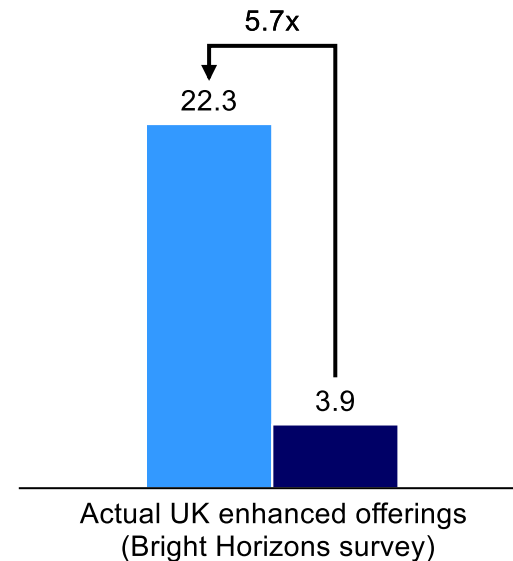
Avg. weeks of equivalent fully paid parental leave



- UK statutory provisions show a large gender discrepancy and are among least generous in Europe

## Enhanced employer policies unequal

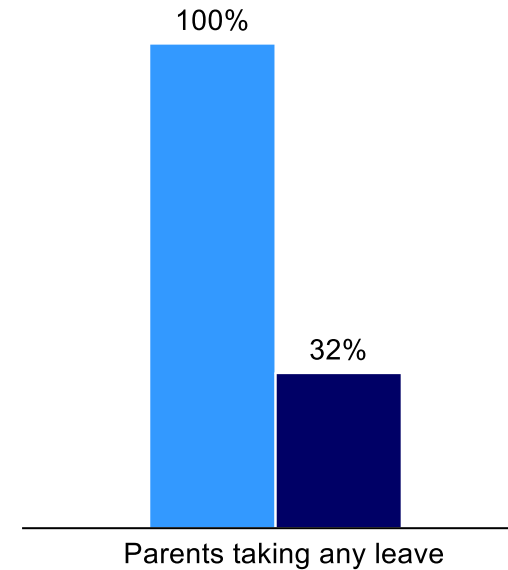
Avg. weeks of equivalent fully paid parental leave



- UK employers increasingly offer enhanced policies, but these are still unequal (and below average Europe statutory provisions)

## Leave uptake uneven

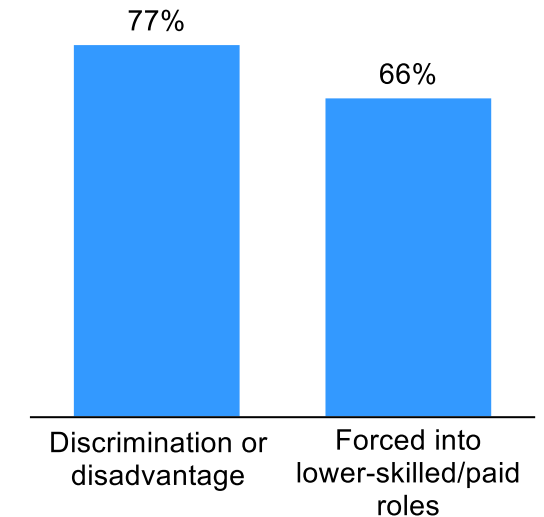
% of eligible parents taking any leave



- Only 1 in 3 secondary caregivers take allotted leave; reported barriers are both cultural and financial

## Leave-takers face bias

% of female professionals reporting work-related impact after taking leave

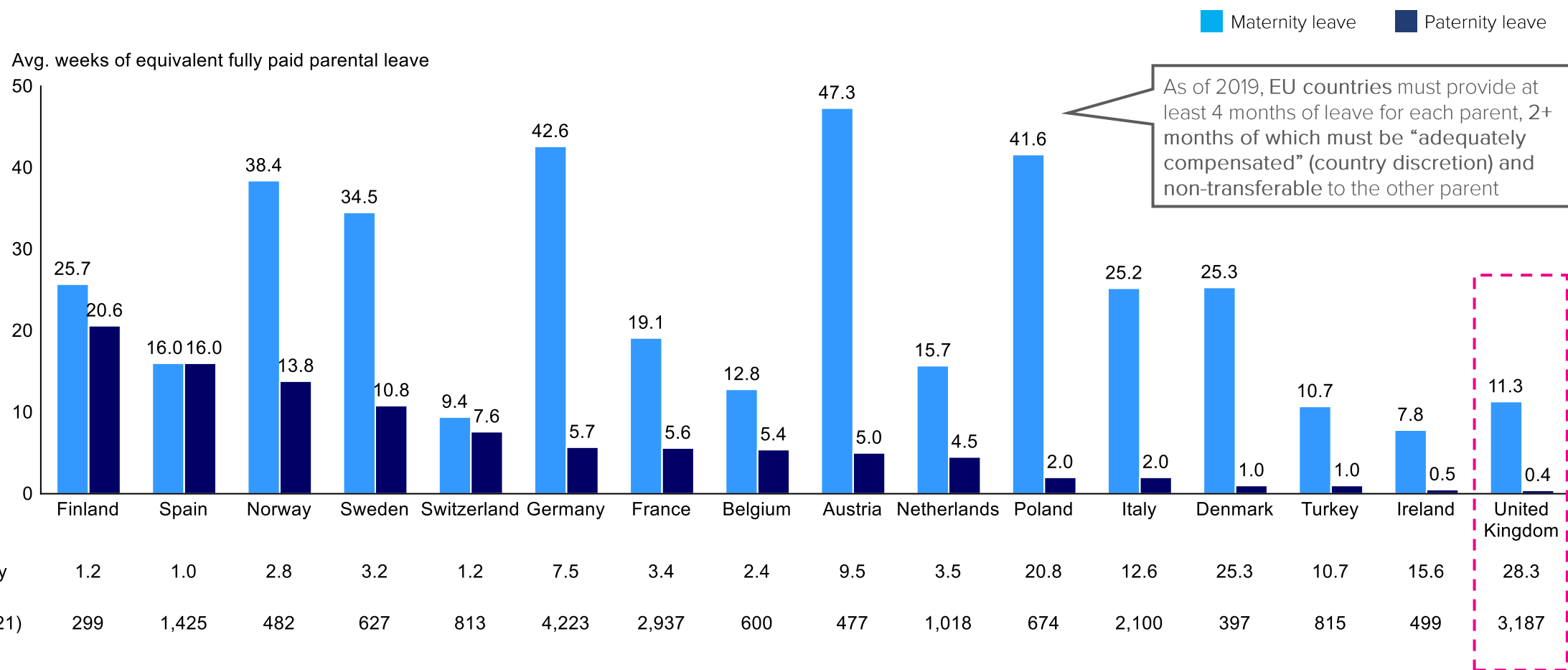


- Women returning from parental leave face a high prevalence of discrimination in the workplace

Note 6\* See Endnotes.

# UK STATUTORY LAGS PEERS | DESPITE BEING 2<sup>ND</sup> LARGEST EUROPEAN ECONOMY, UK STATUTORY PROVISIONS AMONG LEAST GENEROUS IN OECD

Statutory maternity and paternity leave in the top European OECD economies by GDP – ordered by paid paternity provisions



Maternity : paternity

1.2 1.0 2.8 3.2 1.2 7.5 3.4 2.4 9.5 3.5 20.8 12.6 25.3 10.7 15.6 28.3

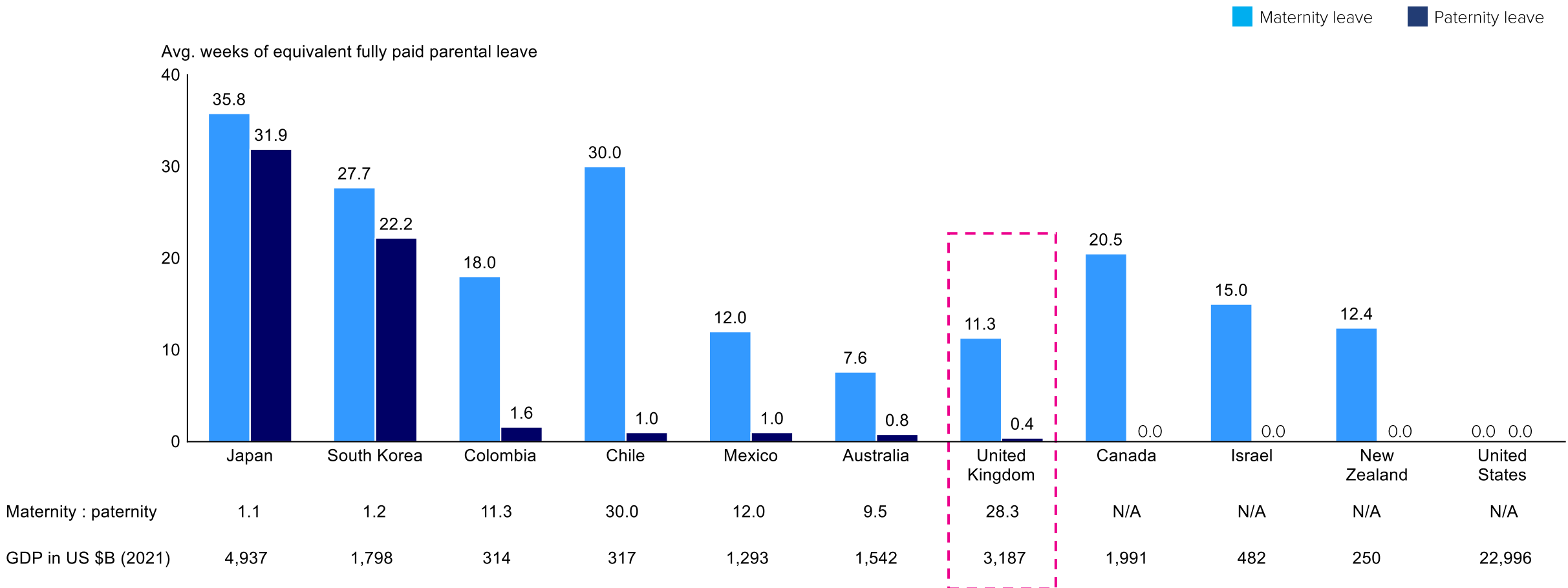
GDP in US \$B (2021)

299 1,425 482 627 813 4,223 2,937 600 477 1,018 674 2,100 397 815 499 3,187

Note 7\* See Endnotes.

# UK STATUTORY LAGS PEERS | SEVERAL OTHER OECD COUNTRIES ALSO OFFER MORE GENEROUS STATUTORY PROVISIONS VS. UK

Statutory maternity and paternity leave in the UK and top non-European OECD economies by GDP – ordered by paid paternity provisions

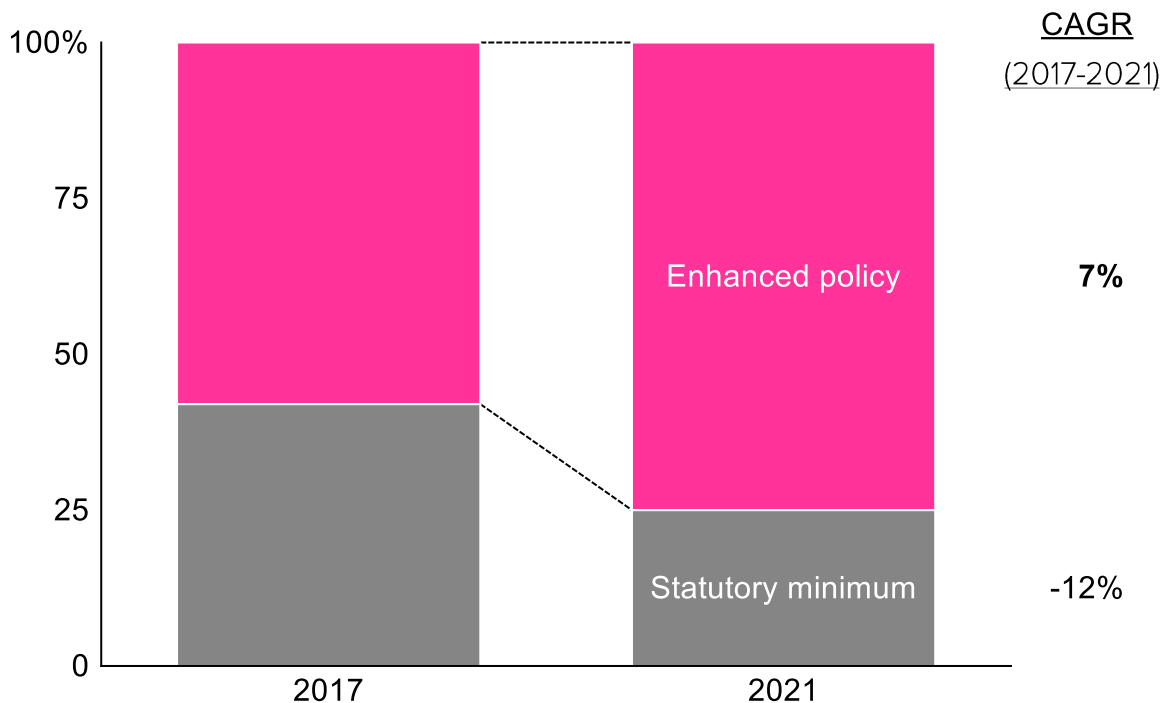


Note 8\* See Endnotes.

# ENHANCED EMPLOYER POLICIES UNEQUAL | EMPLOYERS INCREASINGLY OFFERING ENHANCED LEAVE AMIDST GROWING PUBLIC CALL FOR CHANGE

Prevalence of UK employers offering enhanced parental leave policies increased 7% year on year since 2017...

% of UK employers with type of parental leave policy offering



...and public advocacy for better parental leave policies is growing



Launched “Let’s Talk About Six” campaign asking government to give all parents at least 6 weeks’ leave with 90% salary; supported by petition and national protest



Launched campaign to rank employer parental policies and calling on employers to provide at least 6 weeks’ paternity leave with 90% salary (and to openly state policies, actively promote them, and monitor uptake)



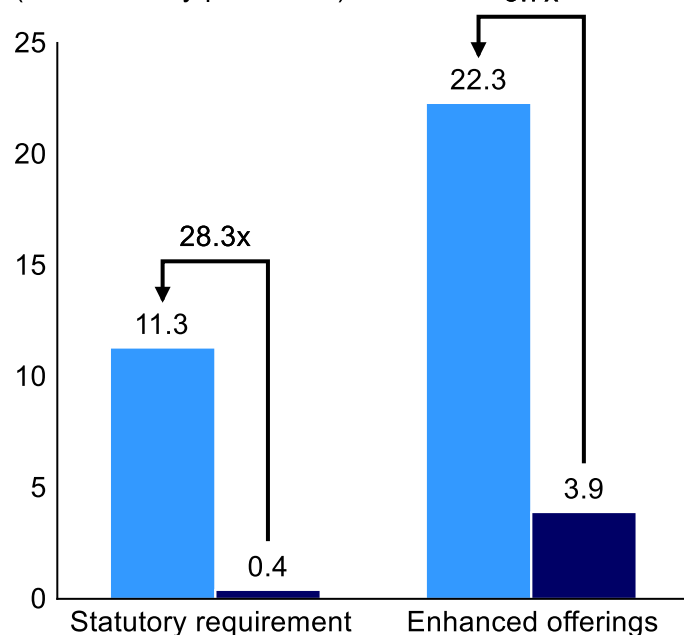
Award scheme launched by University of Birmingham, Music Football Fatherhood and other partner organisations to recognise employers supporting working dads

Note 9: See Endnotes.

# ENHANCED EMPLOYER POLICIES UNEQUAL | BUT CURRENT ENHANCED PARENTAL LEAVE SHOWS MARKED GENDER DISPARITY, ON AVERAGE

## Overall – statutory vs. enhanced

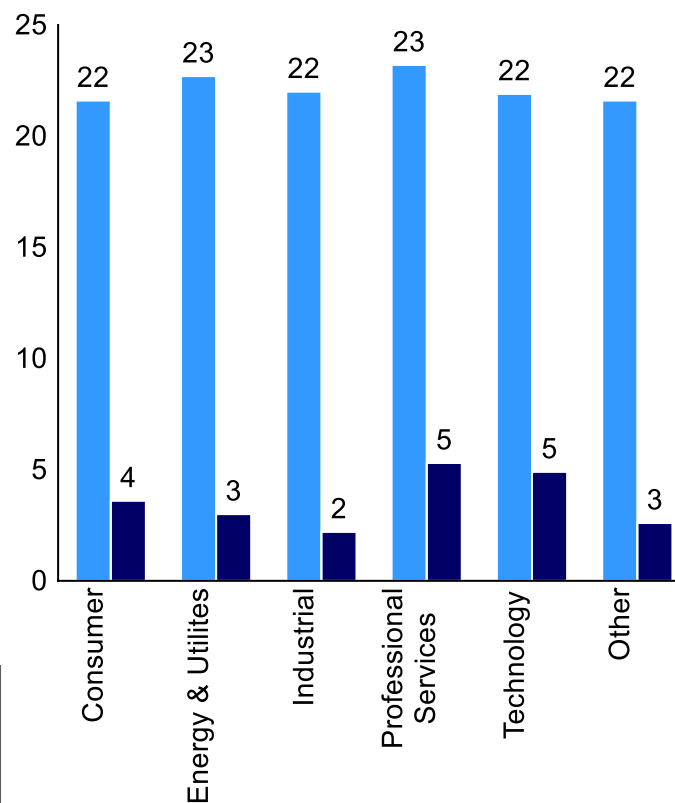
Avg. weeks of equivalent fully paid parental leave (incl. statutory provisions)



While an improvement vs. statutory, this disparity continues to underpin traditional gender norms around who cares vs. who works, reinforcing the gender pay gap

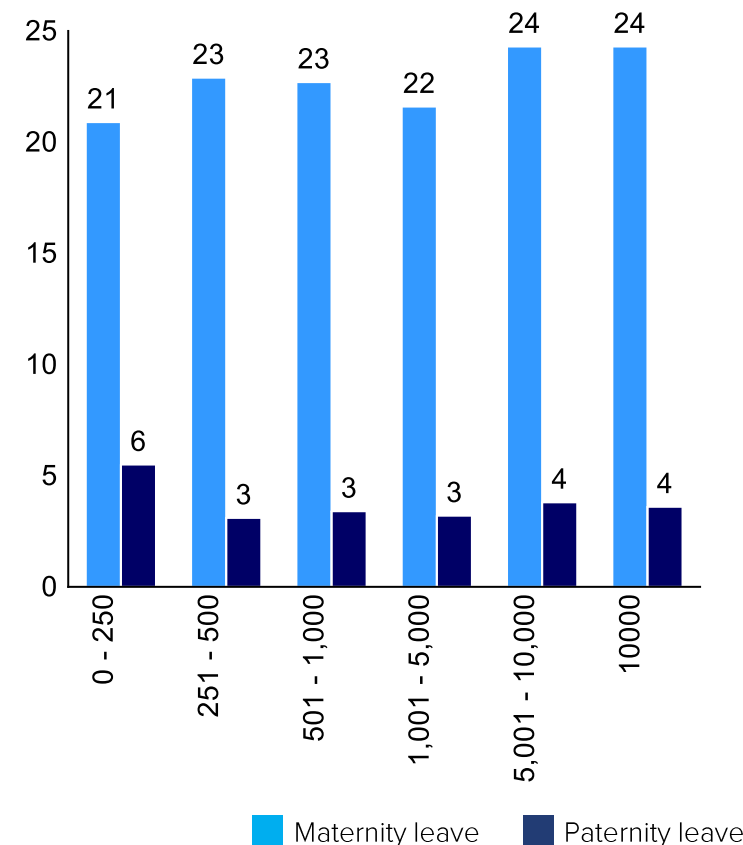
## Enhanced – by industry

Avg. weeks of equivalent fully paid parental leave (incl. statutory provisions)



## Enhanced – by company size

Avg. weeks of equivalent fully paid parental leave (incl. statutory provisions)



Note 10\* See Endnotes.

# HOWEVER, THERE IS GROWING MOMENTUM ON EQUAL PARENTAL LEAVE AMONG UK EMPLOYERS

/ NOT EXHAUSTIVE

2016-18

Etsy, Spotify, Aviva

2019-20

Phoenix Group, Mars, Hodge Bank, Diageo, Vodafone, Ipsos, Bain & Company, Novartis, Baillie Gifford, Zurich Insurance, Burberry, Mastercard, UNICEF, abrdrn, Invesco, Fidelity International, Goldman Sachs, hp

2021-22

John Lewis, Haleon, University of Arts London, M&G, Laing O'Rourke, Oliver Wyman, NatWest, Volvo, Tate & Lyle, Money, TSB Bank

Note 11\* See *Endnotes*.

This information is confidential; it is not to be relied on by any 3rd party without prior written consent.



## CONTENTS

---

### The case for equal parental leave

Status quo of UK parental leave shows clear need for change; UK employers are taking action by equalising parental leave to address persistent imbalances

### Benefits and costs for employers

There is a cost for this policy, but it delivers a host of benefits – talent attraction and retention, more diverse teams, increased employee engagement, progress on gender equity, and a bold public CSR commitment

### Best practices roadmap

Implementing a best-in-class environment for parents can be done in phases – alongside the policy journey, accompanying benefits and a supportive culture are key to success

### Case study examples

Examples from first movers can help chart your path at each stage of the journey to launching the right policy, benefits, and culture

# EPL REQUIRES AN INVESTMENT, BUT THERE ARE A RANGE OF COMPELLING BENEFITS TO CONSIDER

## There is a cost



### Cost of longer parental absences

Introducing a market-leading EPL policy (of 26 weeks) **requires investment** in backfilling longer parental absences

Incremental cost of ~2-3% of annual payroll from longer absences\*

*Deep dive on cost in following slides*

## ...but this is accompanied by a host of compelling benefits with broad business implications



### Retain & attract top talent

Some employers with EPL have seen a net positive impact as it **improves their value proposition** in a tight labour market – carer support and flexibility are top ranked benefits

Cost savings from lower replacement and hiring needs, with further upside from retaining key-person roles



### Reap benefits of more diverse teams

EPL helps employees combine paid work and care – and as women and minority groups report having greater caring duties, this has **implications for retaining diverse talent**

Diverse & inclusive teams are 5x more likely to innovate



### Increase employee engagement

Employers with EPL cite **increased engagement and goodwill** from this move – this policy shows willingness to support individuals at key life stages

Engaged, inspired employees 3x more productive vs. dissatisfied employees



### Address gender pay gap

EPL can help to **rebalance pay and progression rates** across genders by empowering all employees to take time off for childcare

Unequal parental leave drives up to 70% of workplace gender pay gap



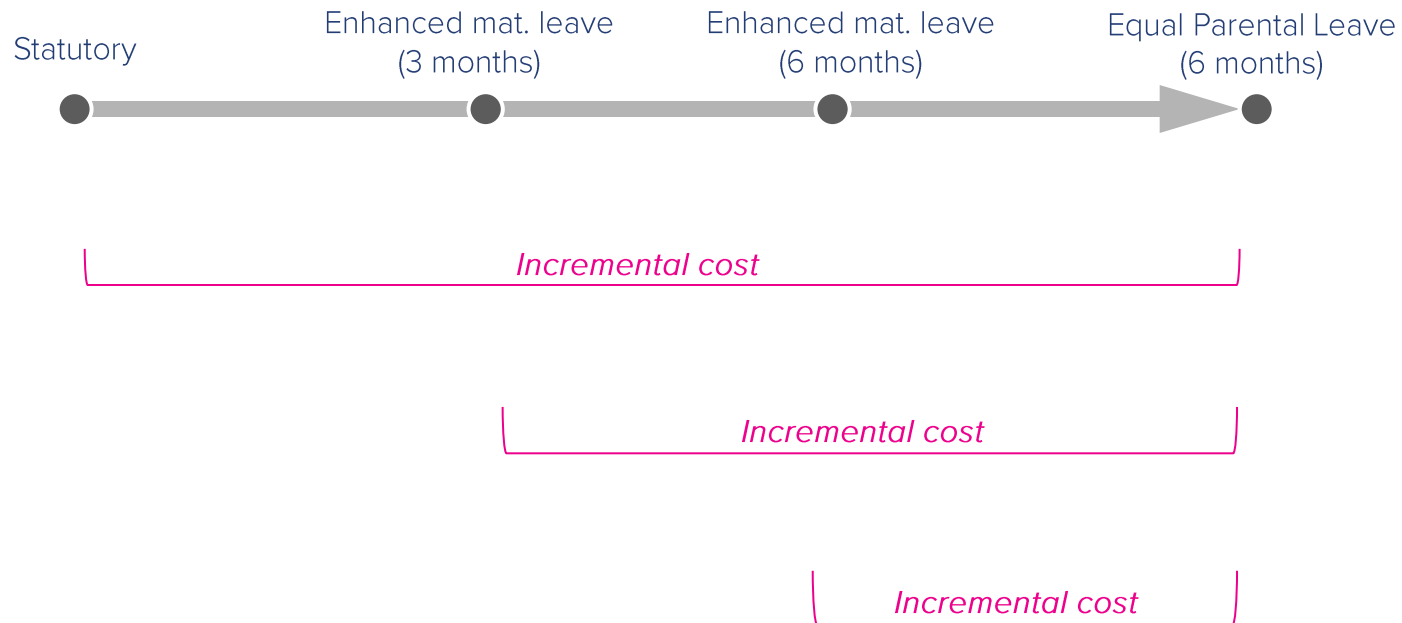
### Announce bold public CSR move

Companies who introduce EPL make a **public commitment to DEI**, joining market-leading companies in this space

Job seeker searches for the term “diversity” rose +220% YOY in 2020

# COST DEEP DIVE | INCREMENTAL COST METHODOLOGY

## Cost based on moving from various starting points to 6 month EPL policy



## Cost factors in three elements

### ① Absence-related payroll

During leave, employers pay a backfill salary and therefore incur incremental cost for the parent's salary & benefits

### ② Backfill recruitment

There is a one-off incremental cost to hire and train an external backfill for the parent

### ③ Handover productivity loss

The replacement resource is expected to be less productive than the parent for a period as they handover the work and get up to speed

Note 13\* See Endnotes.

# COST DEEP DIVE | COST REQUIRED TO MOVE TO 6 MONTHS EPL

## Illustrative cost to move to 6 month parental leave



**Moving from...**



**To...**

**Incremental cost as % of payroll**

*(for median UK salary, range reflects 50%-100% external backfill for roles, assumes all eligible employees use the policy)*

**Statutory parental leave**

**2.8-3.9%**

**3-months enhanced maternity<sup>1</sup>**

**6 months fully paid Equal Parental Leave**

**2.3-3.5%**

**6-months enhanced maternity<sup>2</sup>**

**1.5-2.7%**

## Cost of EPL varies for different contexts



**Starting point:** Cost decreases if current policy is closer to 6 month EPL target

*(less costly to move from an enhanced policy to EPL vs. from a statutory policy)*



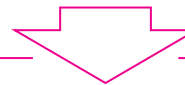
**Backfills:** Cost decreases if external backfills not hired for every absence

*(~1ppt lower cost if only half of parental leave roles backfilled externally vs. all roles backfilled externally)*



**Salary:** Cost increases with higher avg. workforce salary

*(up to ~0.5ppt of payroll higher cost for avg. workforce salary of £80k)*



To estimate the cost for your company's context, use our EPL investment calculator

Note 14\* See Endnotes.

# EPL CALCULATOR CAN BE USED TO ESTIMATE NET INVESTMENT

- Excel model estimates the incremental financial investment required for an employer to move to an equal parental leave policy, to inform executive decision-making
- Can be customised to a specific company by inputting key data points and assumptions (including parental leave policy and employee metrics)
- Preview of Excel model:

Please complete the form on BITC's landing page to receive a copy of this Excel model

Business case model for equal parental leave		
Oct-22 Business In The Community		
Summary		
This Excel model estimates the cost required for your company to move to an Equal Parental Leave policy, and some of the associated benefits this move has on talent attraction & retention. You may wish to use the output as the basis for building a business case, to inform executive decision-making on this issue.		
Sheet name	Index	Type
Summary	Contains inputs and outputs for this Excel model; includes information about the current parental leave policy, the desired equal parental leave policy, and other fixed & variable assumptions	Input and Output - Action required (see instructions below)
Cost calculations	Estimates the cost of equal parental leave and compares it to the cost of the current policy, using inputs and assumptions from the 'Summary' tab	Calculation only, not for input
Benefit calculations	Estimates incremental benefits on talent retention and attraction of moving to equal parental leave from the current policy, using inputs and assumptions from the 'Summary' tab	Calculation only, not for input

Outputs			Inputs		
	% of annual payroll	£ Total to company	Parental leave policies		
<b>Financial cost</b>			<b>Maternity</b>		
Absence-related payroll	2.0%	£71.7K	Current		
Backfill recruitment	0.3%	£12.0K	Pay period 1		
Handover productivity	0.4%	£13.8K	Duration (in weeks)	if calculated as a % of income	20
<b>Sum cost</b>	<b>2.7%</b>	<b>£97.5K</b>	Parental pay	if calculated as a fixed amount (£)	100%
<b>Talent retention &amp; attraction benefit</b>			Pay period 2		
Retention	0.6%	£22.6K	Duration (in weeks)	if calculated as a % of income	12
Attraction	0.2%	£9.0K	Parental pay	if calculated as a fixed amount (£)	157.00
<b>Sum benefit</b>	<b>0.9%</b>	<b>£31.6K</b>	Pay period 3		
<b>Net investment required</b>	<b>1.8%</b>	<b>£65.9K</b>	Duration (in weeks)	if calculated as a % of income	12
			Parental pay	if calculated as a fixed amount (£)	0.00
Note: This model does not monetise or account for the revenue upsides associated with more diverse teams, increased employee engagement, or consumer goodwill. We recommend that you consider quantifying these benefits, which will further offset and may even outweigh the net investment calculated above.			<b>Total duration of full parental leave offered (in weeks)</b>		52
			<b>Proportion of parental leave roles backfilled via external hires (%)</b>		100%
			Workforce metrics		
			<b>Workforce</b>	<b>Assumption</b>	
			Average employee salary		£30,000.00
			Total number of FTEs in company		100
			<b>Demographics</b>	<b>Assumption</b>	
			% female employees		50%
			% male employees		50%
			% of employees becoming parents in a given year		8%

# METHODOLOGY | KEY ASSUMPTIONS AND INPUTS

■ Fixed assumptions

■ Inputs

■ Variable assumptions (by starting point)

## Overall assumptions



## Policy parameters

### Parental leave starting point

We will evaluate the cost of moving to 6-months EPL against 3 starting points:

- Statutory policy
- 3-month enhanced maternity
- 6-month enhanced maternity

### Average employee salary

We will evaluate the cost of moving to EPL for 4 salary bands:

- £20K
- £30K
- £60K
- £80K

### EPL policy definition

We define the EPL end-point as 6 months (for both parents) at 100% pay, reverting to statutory thereafter – this is the best-in-class UK EPL offering

Note 15\* See *Endnotes*.

# METHODOLOGY | KEY ASSUMPTIONS AND INPUTS

■ Fixed assumptions

■ Inputs

■ Variable assumptions (by starting point)

## Costs



### Absence-related payroll

#### Parental leave uptake

We assume 8% of employees take parental leave (4% mat., 4% pat.) each year based on UK employee averages

#### Payroll cost

We assume that during leave, employer pays both backfill salary and parent's salary & benefits (according to leave provision)

### Backfill and handover

#### Backfill recruitment cost

We assume recruitment cost is 20% of each new hire's first year salary based on UK wide benchmarks

#### Handover productivity loss

We expect there to be a 25% productivity loss from handover of work, compared to the original employee

### Level of external backfilling needed

In practice, not all absences are backfilled externally - some companies use internal means to redistribute work or fill the role, particularly for shorter absence periods. A lower backfill level reduces absence-related payroll and backfill recruiting cost. We assume 100% of maternity roles and 50-100% of paternity roles are externally backfilled.

Note 16\* See Endnotes.

This information is confidential; it is not to be relied on by any 3rd party without prior written consent.

# METHODOLOGY | KEY ASSUMPTIONS AND INPUTS

Consider quantifying these benefits given potential for revenue upside

■ Fixed assumptions

■ Inputs

■ Variable assumptions (by starting point)

## Benefits

### Retention

#### Prev. turnover rate

We assume the as-is employee turnover to be 20% per year based on UK wide benchmarks

#### Recruitment cost

We assume recruitment cost is 20% of each new hire's first year salary based on UK wide benchmarks

#### New hire productivity loss

We expect new hires to be 25% less productive in their first year, compared to an experienced employee

#### Reduction in employee turnover

We expect employee turnover to decrease after adopting EPL, depending on starting point:

- Statutory: Reduce by 2.5ppts (i.e. 20% to 17.5%)
- 3-month enhanced maternity: Reduce by 2ppts (i.e. 20% to 18%)
- 6-month enhanced maternity: Reduce by 1.5ppts (i.e. 20% to 18.5%)

### Attraction

#### New hire rate

We assume the rate of hiring to be equal to turnover, at 20% per year based on UK benchmarks

#### Recruitment cost

We assume recruitment cost is 20% of each new hire's first year salary based on UK wide benchmarks

#### Reduction in recruitment cost

We expect recruitment costs to fall after adopting EPL, depending on starting point:

- Statutory: Reduce by 2.5ppts (i.e. 20% to 17.5%)
- 3-month enhanced maternity: Reduce by 2ppts (i.e. 20% to 18%)
- 6-month enhanced maternity: Reduce by 1.5ppts (i.e. 20% to 18.5%)

### Additional benefits

#### More diverse teams

We expect revenue will increase with team diversity:

- Diverse teams are 5x more likely to innovate
- Companies with more diverse senior mgmt. are 1.7x more likely to capture a new market

#### Increased employee engagement

We expect employees to be more engaged and inspired at work after adopting EPL:

- Engaged employees are 3x more productive
- Sales rise by 20% in engaged business units

#### Consumer goodwill

We expect revenue to rise as consumers recognise DE&I commitment:

- 1 in 3 consumers consider brand's DE&I commitment in making final purchase decision

Note 17\* See Endnotes.



## CONTENTS

---

### The case for Equal Parental Leave

Status quo of UK parental leave shows clear need for change; UK employers are taking action by equalising parental leave to address persistent imbalances

### Benefits and costs for employers

There is a cost for this policy, but it delivers a host of benefits – talent attraction and retention, more diverse teams, increased employee engagement, progress on gender equity, and a bold public CSR commitment

### Best practices roadmap

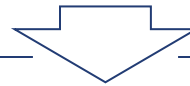
Implementing a best-in-class environment for parents can be done in phases – alongside the policy journey, accompanying benefits and a supportive culture are key to success

### Case study examples

Examples from first movers can help chart your path at each stage of the journey to launching the right policy, benefits, and culture

# EQUAL PARENTAL LEAVE REQUIRES GETTING POLICY, BENEFITS, & CULTURE RIGHT

Right policy is only the half the battle...benefits and culture need to be right to ensure the policy delivers on its purpose



## ROBUST POLICY

Parental policies **set the tone** for how employees can balance work and care – policies reflect top-down attitudes regarding parenting



## ACCOMPANYING BENEFITS

Alongside the leave policy, tangible employee benefits and resources enable parents to **thrive upon return to work**



## SUPPORTIVE CULTURE

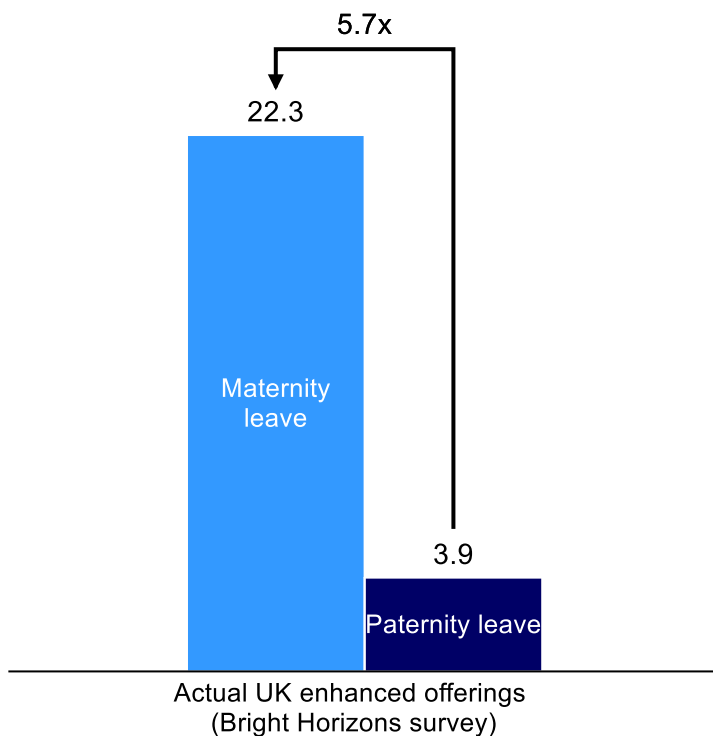
Workplace culture determines if employees feel **empowered to take leave** – a lack of support drives a divide in offer vs. use

# THERE IS OPPORTUNITY FOR IMPROVEMENT ACROSS THE BOARD ON PARENTAL POLICIES, BENEFITS, & CULTURE VS. STATUS QUO

## POLICY

~75% of UK employers offer enhanced policies, but a marked gender discrepancy remains

Avg. weeks of equivalent fully paid parental leave, UK enhanced policies



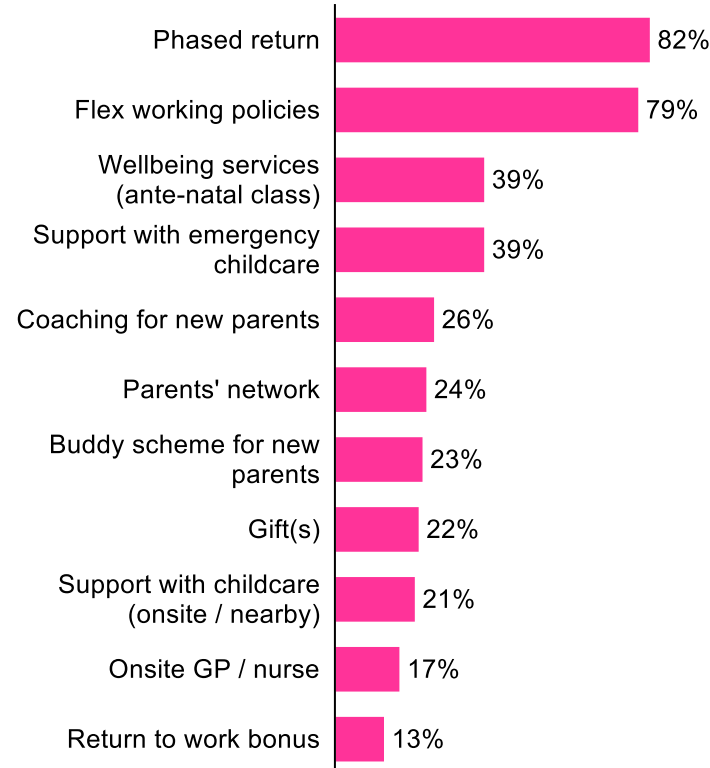
Note 18\* See Endnotes.

This information is confidential; it is not to be relied on by any 3rd party without prior written consent.

## BENEFITS





Most employers offer flexible work, but there is opportunity to enhance other parental support

Proportion of employers who provide select initiatives to support new parents, UK (%)



## CULTURE

Several barriers drive parents to not take their full leave allowance:

- 
Concern around impact on career progression
- 
Concern around negative perceptions
- 
Concern around less important work upon return
- 
Lack of senior role models who have taken leave
- 
Lack of supervisor support to take leave

# ROADMAP TO BEST PRACTICE | EMPLOYERS CAN INTRODUCE A LEADING EQUAL PARENTAL LEAVE OFFERING VIA A PHASED APPROACH



Emerging



Developing



<p>Outcomes</p>	<ul style="list-style-type: none"> <li>• &lt;60% uptake of paternity leave</li> <li>• Average length of parental leave taken by men &lt;50% of that taken by women</li> </ul>	
<p>Policy</p>	<ul style="list-style-type: none"> <li>• 6-11 weeks fully paid paternity leave</li> <li>• Allow employees to <b>take leave in portions</b> of 6 weeks, reducing need to hire paternity backfills for shorter absences</li> <li>• Maintain some <b>eligibility limits</b> (e.g. tenure)</li> </ul>	<ul style="list-style-type: none"> <li>• 12-25 weeks fully paid paternity leave</li> <li>• Allow employees to <b>take leave in portions</b> on case-by-case basis to manage business needs and reduce backfill hiring</li> <li>• <b>Phase in policy</b> over time to ease disruption</li> </ul>
<p>Benefits &amp; Culture</p>	<ul style="list-style-type: none"> <li>• Provide <b>basic benefits for parents</b> in the workplace</li> <li>• E.g., parents network, flexibility options, buddy scheme, sharing role model stories</li> </ul>	<ul style="list-style-type: none"> <li>• Rollout further benefits and resources to <b>support parents throughout parental leave journey</b></li> <li>• E.g., mandatory training for line managers of new parents, proactive HR communication, tracking of key metrics</li> </ul>

# ROADMAP TO BEST PRACTICE | EMPLOYERS CAN INTRODUCE A LEADING EQUAL PARENTAL LEAVE OFFERING VIA A PHASED APPROACH

Leading



## Outcomes

- **Near full uptake** of parental policy by all parents
- Average length of parental leave taken by men **at least 85%** of that taken by women

## Policy

- **26+ weeks** fully paid parental leave offered equally to all parents, regardless of gender
- **Invest in backfill options** to enable extended leave periods
- Offer policy to **all employees**, with minimal limits

## Benefits & Culture

- Invest in fostering an **environment where parents thrive** with range of market-leading initiatives
- E.g., paid phased return to work, active championing from line managers, return to work coaching, visible senior role models, data-driven feedback loops

# POLICY ROADMAP | LEADING EMPLOYERS EQUALISE PARENTAL LEAVE WITH GENEROUS PAID PERIOD AND LIMITED CONSTRAINTS

Employers do not need to tick every box and should prioritise initiatives most relevant to their workforce, employers might be at different stages for each sub-category



	Emerging	Developing	Leading
<b>Pay and leave</b>	<ul style="list-style-type: none"> <li>6-11 weeks fully paid paternity leave</li> </ul>	<ul style="list-style-type: none"> <li>12-25 weeks fully paid paternity leave</li> </ul>	<ul style="list-style-type: none"> <li>26+ weeks of fully paid equal parental leave, regardless of gender</li> </ul>
<b>Implementation</b>	<ul style="list-style-type: none"> <li>Allow employees to take leave in <b>6 week portions</b>, reducing need to hire paternity backfills for shorter absences</li> <li>Maintain some <b>eligibility limits</b> (e.g. tenure)</li> </ul>	<ul style="list-style-type: none"> <li>Allow employees to <b>take leave in portions on case-by-case basis</b> to manage business needs and reduce backfill hiring</li> <li><b>Phase in policy</b> over time to ease disruption</li> </ul>	<ul style="list-style-type: none"> <li><b>Invest in backfill options</b> to enable extended leave periods</li> <li>Offer policy to <b>all employees</b>, with minimal eligibility limits (e.g. tenure)</li> </ul>
<b>Additional policy considerations</b>	<ul style="list-style-type: none"> <li>Policy guide is <b>easy to understand</b> and accessible online via company intranet</li> <li>Maternity and paternity provisions are available for <b>adoption, surrogacy and biological birth alike</b></li> <li>Policy uses <b>inclusive, non-gendered language</b></li> </ul>	<ul style="list-style-type: none"> <li>Option provided for paternity leave takers to take <b>further unpaid leave</b></li> <li>Parents are <b>eligible for promotion</b> while on leave</li> <li>Employees receive <b>pro-rated bonus while on paid leave</b>, if part of compensation</li> </ul>	<ul style="list-style-type: none"> <li>Rules on <b>when and how leave can be taken are consistent</b> for all parents (birthing or non-birthing)</li> <li>Leave policy <b>advertised publicly</b></li> <li><b>Repayment</b> if employees do not return from leave is <b>not stringent</b></li> <li><b>Range of parental provisions</b>, e.g. separate leave afforded for premature birth / child loss</li> </ul>

	~0-0.7%	~1.2-1.7%	~2.7-3.9%
<b>Incremental cost<sup>1</sup> to reach position (as a % of payroll)</b>	To reach 6 weeks paid paternity	To reach 12 weeks paid paternity	To reach 26 weeks paid Equal Parental Leave,
	<i>Assume maternity offer remains as is, cost dependent on level of external backfilling (0-100%) for paternity roles</i>	<i>Assumes maternity offer at least on par with paternity, and 100% external backfilling of parental leave roles, cost dependent on policy starting point</i>	<i>Assumes 100% external backfilling of parental leave roles, cost dependent on policy starting point</i>

Note 19\* See Endnotes.

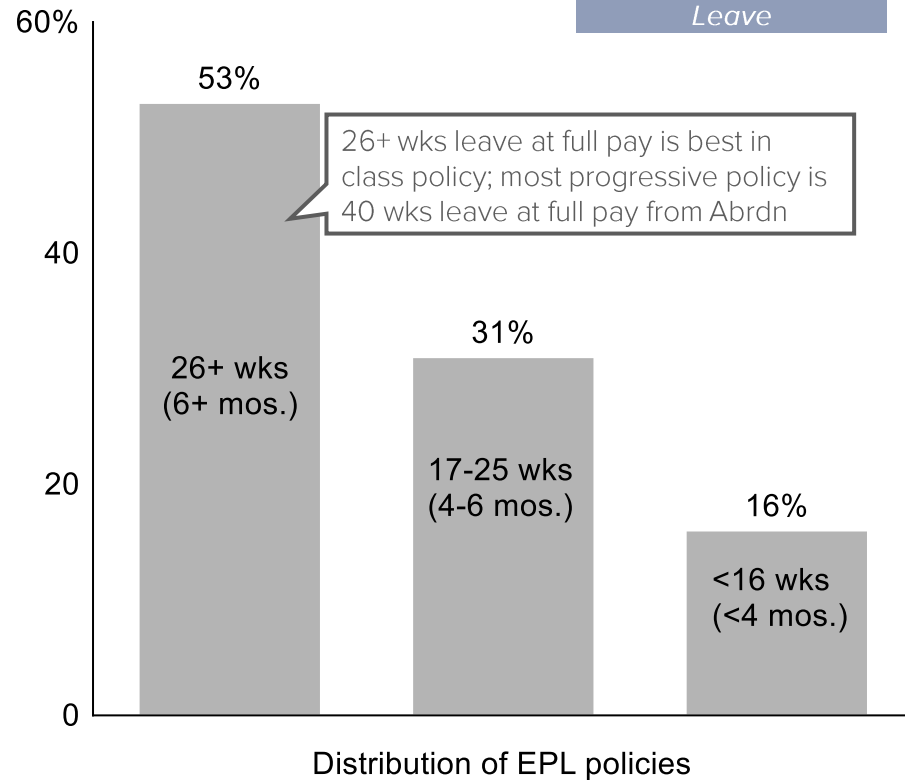
# POLICY BEST PRACTICE | HALF OF UK EMPLOYERS WITH EQUAL PARENTAL LEAVE OFFER 26 WEEKS OR MORE OF FULLY PAID LEAVE

/ PRELIMINARY

## Leave and Pay Provisions

% of UK employers by EPL policy

For 32 UK employers offering Equal Parental Leave



## Policy Criteria

Criteria	Best in class approach
Eligibility	Applies to full- and part-time employees at all levels
Service req.	Length of service requirement to qualify for leave should not exceed 6 months <sup>1</sup>
Inclusion	Inclusive of all parents (birth, adoption, surrogacy), and avoids gendered terms
Timing	Option to take leave in portions applied consistently (i.e., only allow non-birthing parents to break up leave if birthing parents can also do this)
Pay & bonus	Returning pay level reflects inflationary raises and bonus paid at least at pro-rated level
Progression	Clearly defined policy that will limit impact on progression, with tenure restarting at least at same level on return
Repayment	Repayment in case of not returning not required or waived after 6 months return
Additional provisions	Separate provisions for range of parental situations, such as fertility treatments, premature birth, child loss etc.

Note 20\* See Endnotes.

# POLICY BEST PRACTICE | UK EMPLOYERS ARE USING A RANGE OF LEVERS TO IMPROVE THEIR POLICIES

## Accessibility and inclusivity of policy

### NatWest

**Inclusive policy language:** Inclusive and non-gendered language is intentionally used across policy documents

### UNICEF

**Simply written policy:** Step by step guide using very simple language support parents through full working parent journey

### Ipsos

**Comprehensive parent guide:** 'Parent Pledge' guide covers parental provisions and support available in one place to ensure parents and people managers understand the policy

## Parameters around leave usage

### Novartis

**All employees eligible:** Equal parental leave is offered to all employees from their first day of employment with the company

### abrdrn

**Flexibility in usage:** Employees can use the leave allowance flexibly over 2 years post the arrival of the child, in up to three separate blocks

### Volvo

**Policy default is full leave:** Policy is written so as to present full leave provision as a default option and language that signals lower uptake (e.g. up to X weeks) is avoided

Note 21\* See *Endnotes*.



# POLICY BEST PRACTICE | UK EMPLOYERS ARE USING A RANGE OF LEVERS TO IMPROVE THEIR POLICIES

Scope of care provisions

/ NOT EXHAUSTIVE

## Santander

**Additional parental provisions:** For premature babies, birthing parents receive paid leave equal to weeks baby is early, and non-birthing parents receive 2 weeks paid leave; for child loss, parents receive 2 weeks paid leave with option for further flexibility

## Vodafone

**Broader carer policy:** Equal parental leave part of broader carer policy which includes options such as 18 weeks leave (1<sup>st</sup> week paid) for employees looking after elderly, disabled or seriously ill dependent

Note 21\* See *Endnotes*.

# BENEFITS ROADMAP | LEADING EMPLOYERS SUPPORT PARENTAL LEAVE TAKERS THROUGH DIVERSE RANGE OF BENEFITS

Employers do not need to tick every box and should prioritise initiatives most relevant to their workforce, employers might be at different stages for each sub-category

Emerging 

Developing 

Leading 

## Flexible work

- Basic flexibility framework in place (e.g. work from home guidelines)
- Basic return to work facilitated (e.g. guidance on using KIT days / holidays)

- Formal conversations held with returners to discuss flexible work options
- Phased return to work options in place (e.g. part-time for first month)

- Range of easy-to-access flexible work policies offered
- Fully paid phased return to work in place (e.g. 80% hours at full pay for 12 weeks)

## Health & wellbeing

- Basic health provisions provided (e.g. guide on NHS services or basic EAP)

- Broader set of wellbeing services provided (e.g. online exercise classes, mental health app)
- Onsite facilities set-up for nursing parents (room, equipment)

- Comprehensive wellbeing services offered (e.g. gym subsidy, 24/7 hotline, new parent classes)
- Ante- and post-natal benefits included in health insurance offering
- Onsite GP / nurse services provided

## Mentorship & community

- Parents' network established with basic programming (e.g. annual forum)
- Basic buddy scheme for new parents in place

- Parents' network has regular programming, with senior champion appointed
- Active buddy scheme for new parents in place

- Active parents' network has regular events and programming, with engagement across tenures
- Parents' network run by all genders (not as part of women's affinity group)

## Coaching

- Informal through mentorship & community

- Informal through mentorship & community

- Coaching provided to all new parents to support return to work (internal or external provider)

## Childcare

- Flexibility afforded in emergency childcare situations (e.g. emergency carers' leave, informal arrangements around working hours etc.)

- Subsidised childcare offered (onsite or nearby)
- Emergency childcare options provided

## Other

- Funds made available for gift purchase by teams for new parents

- Return-to-work bonus given
- Gift sent to all parents upon arrival of child

# BENEFITS BEST PRACTICE | UK EMPLOYERS ARE INVESTING IN PARENTAL SUPPORT ALONGSIDE THEIR POLICY (1/2)

/ NOT EXHAUSTIVE

## Flexible work

### hp

**Part-time work:** Employees can work part-time for up to 3 years following the birth or adoption of their child

### Laing O'Rourke

**Phased return to work:** Employees returning from leave can work 80% of hours but receive full salary for up to 13 weeks

### Novartis

**Flexible hours:** Employees can choose their own working arrangements (how to spread working hours in the day) via 'Choice with Responsibility' programme

## Health and wellbeing

### Bain & Company

**Healthy pregnancy:** Ante- and post-natal included in health insurance options, protected time to attend antenatal appointments; onsite healthcare (incl. GP)

### Tate & Lyle

**Nursing rooms:** Employees at all major locations, including plants, have access to dedicated on-site nursing rooms

### M&G

**Mental health:** Employees have access to free 24/7 online support service, mental health first aiders, and trainings on stress management during major life events

Note 21\* See Endnotes.

# BENEFITS BEST PRACTICE | UK EMPLOYERS ARE INVESTING IN PARENTAL SUPPORT ALONGSIDE THEIR POLICY (1/2)

/ NOT EXHAUSTIVE

## Childcare

### Goldman Sachs

**Onsite childcare:** Creche in building provides up to 20 days of 'back-up' childcare each year, plus after-school and holiday programmes (up to age 12)

### Toyota

**Onsite nursery:** Nursery at Derbyshire plant charging competitive rates (up to age 5), paid via salary sacrifice scheme; accommodates employee shift patterns

### Enterprise

**Nursery search:** Employees receive support in searching for affordable and convenient regular childcare options for nursery-age children

## Mentorship & community

### Bain & Company

**Parents and Carers network:** Volunteer-led employee network providing active support to those balancing work & caring responsibilities across the business

### Bright Horizons

**New parent classes:** Employees are invited to lunch-and-learns on particular childcare topics for new parents (e.g., first-aid course, how to wean children)

### Hodge Bank

**Active affinity group engagement:** Employee volunteers were engaged in the equal parental leave project and were given access to help shape proposal

Note 21\* See *Endnotes*.

# BENEFITS BEST PRACTICE | UK EMPLOYERS ARE INVESTING IN PARENTAL SUPPORT ALONGSIDE THEIR POLICY (2/2)

/ NOT EXHAUSTIVE

## Coaching

### Ipsos

**External coaching:** All employees have access to an external coaching programme specific to parents; can start before, during, or after parental leave

### EY

**Career path coaching:** Career and family coaching for all individuals taking family leave, focused on well-being, flexibility, and careers

### Google

**Multiple coaching options:** Employees can access coaching sessions focused on the transition to parenthood, plus learning materials and employee-led courses

## Other

### Citigroup

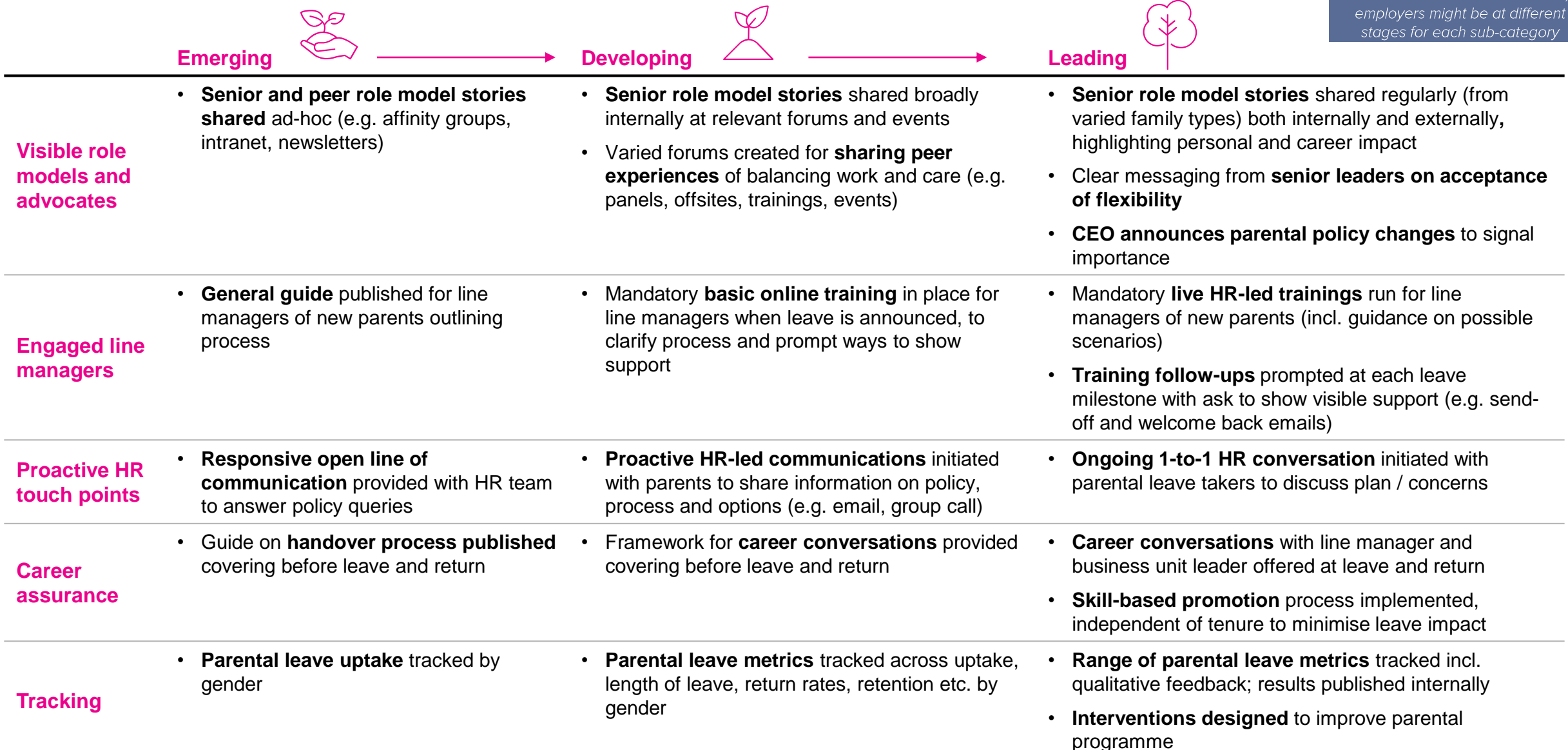
**Full bonus:** Employees taking up to 6 months of parental leave are still eligible to receive an annual bonus that reflects a full year of contribution

*Limited further publicly available examples*

Note 21\* See Endnotes.

# CULTURE ROADMAP | LEADING EMPLOYERS TAKE INTENTIONAL, TANGIBLE ACTION TO FOSTER A SUPPORTIVE ENVIRONMENT

Employers do not need to tick every box and should prioritise initiatives most relevant to their workforce, employers might be at different stages for each sub-category



# CULTURE BEST PRACTICE | UK EMPLOYERS ARE DEPLOYING FOCUSSED INITIATIVES TO IMPROVE THEIR PARENTAL LEAVE CULTURE / NOT EXHAUSTIVE

## Visible role models and advocates

### NatWest

**Experience sharing:** Internal campaign to share 'role model' stories around senior leaders taking extended parental leave

### Costain

**Peer discussions:** Peer conversations during 'DE&I impact day' used to address stigmas around fathers taking leave

### Hodge Bank

**Senior role models:** Fathers organically shared paternity stories externally (e.g. LinkedIn) and were encouraged to share internally too

## Engaged line managers

## Proactive HR touch points

### Aviva

**Line manager training:** Leaders received training on how to support and manage employees going on and returning from extended parental leave

### Bain & Company

**Visible support:** Before an employee goes on leave, mentor reaches out to their team to thank employee and congratulate them

### UNICEF

**Parental inductions:** Parents meet with People Advisor for induction before going on leave and for re-induction before returning

Note 21\* See *Endnotes*.

# CULTURE BEST PRACTICE | UK EMPLOYERS ARE DEPLOYING FOCUSSED INITIATIVES TO IMPROVE THEIR PARENTAL LEAVE CULTURE / NOT EXHAUSTIVE

## Career assurance

## Tracking

### Ipsos

**Career conversations:** Individuals are offered a career conversation on their return from leave with business unit leader

### Fidelity International

**Client handover:** Clear process in place to hand client relationships back to employee post leave, with high client transparency

### Diageo

**Publish stats:** Publish key results of policy externally, including increase in length of leave taken by men

Note 21\* See *Endnotes*.



# CHECKLIST FOR LEADERS | TO MOVE TO A LEADING POSITION, ASSESS CURRENT GAPS AND PRIORITISE OPPORTUNITY AREAS

Employers do not need to tick every box and should prioritise initiatives most relevant to their workforce, employers might be at different stages for each sub-category



## Emerging



## Developing



### Policy

- 6-11 weeks fully paid paternity leave offered
- Maternity and paternity provisions are available for adoption, surrogacy and same sex couples
- Policy uses inclusive, non-gendered language

- 12-25 weeks fully paid paternity leave offered (maternity on par or higher)
- Option provided for paternity leave takers to take further unpaid leave

### Benefits

- Basic flexibility and return to work framework in place
- Parents' network established
- Buddy scheme for parents provided

- Phased return to work options in place
- Parents' network has regular programming
- Basic employee wellbeing services offered
- Onsite facilities set up for nursing parents

### Culture

- Guide for line managers of new parents shared
- Open line of communication provided with HR team for policy queries
- Parental leave uptake tracked (by gender)
- Senior & peer role model stories shared

- Mandatory online line manager training in place
- Proactive HR-led communication initiated with parents to share policy and process information
- Parental leave uptake, length of leave, return rate, and retention tracked (by gender)
- Role model stories shared at multiple forums, with all genders included (e.g. panels, trainings)

# CHECKLIST FOR LEADERS | TO MOVE TO A LEADING POSITION, ASSESS CURRENT GAPS AND PRIORITISE OPPORTUNITY AREAS

## Leading



### Policy

- 26+ weeks fully paid equal parental leave offered to all parents
- Investment in range of backfill options to enable extended leave periods

### Benefits

- Fully paid phased return to work in place
- Active parents' network is self-sustaining, run by all genders
- Comprehensive employee wellbeing services offered
- Ante- and post-natal benefits in insurance plan
- Free coaching for parents provided to support return to work
- Subsidised childcare offered (onsite or nearby)

### Culture

- Mandatory live HR-led line manager trainings run
- Ongoing 1-to-1 HR conversation initiated with parental leave takers to discuss plan / concerns
- Range of parental leave metrics tracked, with robust feedback loops
- Open organisation-wide dialogue on parental leave and flex, incl. visible senior champions

# CHECKLIST FOR PRACTITIONERS | TO DRIVE PROGRESS ON THIS JOURNEY, THERE ARE SEVERAL KEY ACTIONS ACROSS POLICY, BENEFITS, CULTURE

## Outline the ambition



- Assemble strong team with capabilities to develop proposal
- Benchmark peers and engage with employees to understand their perspectives
- Assess current maturity vs. Emerging / Developing / Leading
- Determine end-state ambition and motivations for change - DE&I etc. *See workbook on next page*
- Gain sponsorship of senior leaders who are engaged on gender and DE&I topics

## Define & launch the policy



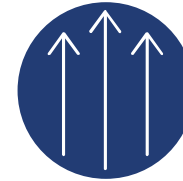
- Build and gain approval on business case from leadership
- Understand business impact and ensure HR, Recruiting and Finance teams are set up to operationalise the policy
- Engage Talent teams on career implications and creating talent opportunities from backfill needs
- Launch the policy internally, with clear policy guide with FAQs
- Push external comms in tandem with policy launch to share decision with market

## Introduce key benefits



- Consult relevant employee networks to determine the most impactful benefits for parents
- Engage with Talent & Benefits teams to understand how new benefits can contribute to employer value proposition
- Build case for introducing new benefits and gain approval from business leadership
- Share new benefits package internally with FAQs
- Launch external comms to share new benefits with market

## Foster supportive culture



- Address attitudes to parental leave through proactive reach outs, sharing role model stories and career assurance initiatives
- Roll out robust training for line managers of new parents
- Monitor key metrics for parent population across uptake, return, retention, and engagement
- Put in place feedback loops with those who use the policy to ensure continuous improvement

For further guidance, get advice from peers who have implemented equal parental leave via BITC's Peer Program and meet with other practitioners starting on this journey through BITC's Peer Leader Forums and CEO Forums

# NEXT STEPS | EMPLOYERS SHOULD TAKE STOCK TO PRIORITISE OPPORTUNITY AREAS

TEMPLATE

## 1 Maturity & opportunity assessment

**BEST PRACTICE ROADMAP** Maturity assessment and opportunity areas

Step 1: Use the checklist and questions to determine current and desired position on parental leave policy, benefits, and culture

	Emerging	Developing	Leading
<b>Policy</b>	<ul style="list-style-type: none"> <li>6-11 weeks fully paid paternity leave offered</li> <li>Maternity and paternity provisions are available for adoption, surrogacy and same sex couples</li> <li>Policy uses inclusive, non-gendered language</li> </ul>	<ul style="list-style-type: none"> <li>12-25 weeks fully paid paternity leave offered (maternity on par or higher)</li> <li>Option provided for paternity leave takers to take further unpaid leave</li> </ul>	<ul style="list-style-type: none"> <li>26+ weeks fully paid Equal Parental Leave offered to all parents</li> <li>Investment in range of backfill options to enable extended leave periods</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Basic flexibility and return to work framework in place</li> <li>Parents' network established</li> <li>Buddy scheme for parents provided</li> </ul>	<ul style="list-style-type: none"> <li>Phased return to work options in place</li> <li>Parents' network has regular programming</li> <li>Basic employee wellbeing services offered</li> <li>Onsite facilities set up for nursing parents</li> </ul>	<ul style="list-style-type: none"> <li>Fully paid phased return to work in place</li> <li>Active parents' network is self-sustaining, run by all genders</li> <li>Comprehensive employee wellbeing services offered</li> <li>Ante- and post-natal benefits included in insurance plan</li> <li>Free coaching for parents provided to support return to work</li> <li>Subsidised childcare offered (onsite or nearby)</li> </ul>
<b>Culture</b>	<ul style="list-style-type: none"> <li>Guide for line managers of new parents shared</li> <li>Open line of communication provided with HR team for policy queries</li> <li>Parental leave uptake tracked (by gender)</li> <li>Senior &amp; peer role model stories shared</li> </ul>	<ul style="list-style-type: none"> <li>Mandatory online line manager training in place</li> <li>Proactive HR-led communication initiated with parents to share policy and process information</li> <li>Parental leave uptake, length of leave, return rate, and retention tracked (by gender)</li> <li>Role model stories shared at multiple forums, with all genders included (e.g. panels, trainings)</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing 1-to-1 HR conversation initiated with parental leave takers to discuss plan / concerns</li> <li>Range of parental leave metrics tracked, with robust feedback loops</li> <li>Open organisation-wide dialogue on parental leave and flex, incl. visible senior champions</li> </ul>

Questions to consider while reviewing the above checklist:

- On balance, where does your organisation currently place in each dimension (policy, benefits, and culture) – Emerging, Developing, or Leading?
- What are the main priority areas for your organisation to move towards Leading across each dimension?
- Across each dimension – what are the 'quick wins', short-term, and long-term initiatives that your organisation can take along the journey to Leading?
  - Quick win = no-cost / low-cost, can be done immediately with minimal resourcing
  - Short-term = incremental efforts via step resourcing
  - Long-term = broad scale and scope via invested resourcing

- Assess current offering vs. Emerging / Developing / Leading framework across all dimensions (policy, benefits, culture)
- Determine opportunity areas across each dimension

## 2 Prioritisation of opportunities

**BEST PRACTICE ROADMAP** Priority assessment of opportunity areas

Step 2: Prioritise actions to address opportunity areas and determine owners, deadlines, and next steps for execution

	Initiative	Owner	Deadline	Next steps
<b>Policy</b>	Quick wins (no-cost / low-cost) <i>E.g. Rewrite policy with inclusive language</i>	[Name / Team]	[Date]	<i>E.g. Engage Benefits and DEI Teams</i>
	Short-term initiatives (incremental efforts)			
	Long-term initiatives (broad scale and scope)			
<b>Benefits</b>	Quick wins (no-cost / low-cost) <i>E.g. Establish parents' network</i>	[Name / Team]	[Date]	<i>E.g. Find senior leader to sponsor group</i>
	Short-term initiatives (incremental efforts)			
	Long-term initiatives (broad scale and scope)			
<b>Culture</b>	Quick wins (no-cost / low-cost) <i>E.g. Share peer / senior role model stories</i>	[Name / Team]	[Date]	<i>E.g. Source role models at all tenures</i>
	Short-term initiatives (incremental efforts)			
	Long-term initiatives (broad scale and scope)			

- Prioritise opportunity areas as 'quick wins', short-term, or long-term initiatives for your organisation
- Define owners, deadlines, and next steps for each initiative

## 3 Implementation timeline

**BEST PRACTICE ROADMAP** Implementation Timeline

Step 3: Define timeline for key milestones and critical path actions by initiative

	[Quarter & Year]			[Quarter & Year]			[Quarter & Year]		
	[Month]	[Month]	[Month]	[Month]	[Month]	[Month]	[Month]	[Month]	[Month]
<b>Key Milestones</b>									
▲ Working team									
▲ Senior stakeholder engagement									
▲ Internal launch									
<b>Activity Roadmap</b>									
Policy initiative									
Benefits initiative									
Culture initiative									

- Define key milestones and the activity roadmap to achieving target initiatives over time

Find this workbook available to download on BITC's EPL landing page



Use our EPL roadmap workbook to define and prioritise opportunity areas to chart a path forward

# EVEN WHERE EPL IS OFFERED, THERE ARE FURTHER LESSONS TO BE LEARNED REGARDING EXECUTION TO MAXIMISE BENEFITS FROM EPL / NOT EXHAUSTIVE

## POLICY

Complex eligibility

*“The policy is generous but the complexity over who is eligible (esp. new joiners) has created a sense of unfairness.”*

Different standards around use of leave

*“Policies need to be careful not to set double standards – birthing parents often need to use the leave in one go, but some partners are allowed to separate it.”*

Policy accessibility

*“The policy is not easily understood and uses complex terms – it is also hard to find – you have to dig around old files to find what the provision is.”*

## BENEFITS

No clearly defined flexibility framework

*“On my return I needed more flexibility, but without a formal framework in place, I didn’t know what I could ask for – it felt like colleagues thought I was slacking off since there was no common terms for my working pattern.”*

Lack of visibility of parents network

*“The parents network is a subset of the women’s network and so it lacks visibility as an individual stakeholder group; additionally, this structure continues to frame childcare as a female issue and excludes male employees who might be keen to engage.”*

## CULTURE

Lack of line manager support

*“Direct manager support is patchy – some managers vocally support those on leave and organise a send-off, but others treat the employee like they resigned.”*

Absence of senior role models

*“Only a few senior men have used parental leave and often they do not take the full paid allowance – it sets a subtle norm that taking a long time out is incompatible with a senior positions.”*

Unequal treatment on return to work

*“There was a clear duality in how proactively my partner and I were treated on return. As the mother, I had conversations with HR on the support I needed, but my partner was expected to be up and running right away.”*

Note 22\* See Endnotes.

## CONTENTS

---

### The case for Equal Parental Leave

Status quo of UK parental leave shows clear need for change; UK employers are taking action by equalising parental leave to address persistent imbalances

### Benefits and costs for employers

There is a cost for this policy, but it delivers a host of benefits – talent attraction and retention, more diverse teams, increased employee engagement, progress on gender equity, and a bold public CSR commitment

### Best practices roadmap

Implementing a best-in-class environment for parents can be done in phases – alongside the policy journey, accompanying benefits and a supportive culture are key to success

### Case study examples

Examples from first movers can help chart your path at each stage of the journey to launching the right policy, benefits, and culture

## CASE STUDIES (1/3): EARLY MOVERS HAVE HAD VARIED JOURNEYS



An integral part of their culture and a way to live up to corporate values

Industry: Insurance  
Size: ~9,000 employees in UK  
Geo: Global (UK & Ireland focus)

- Motivated by **living corporate values**, reflecting societal change, and signalling commitment to equality to employees and customers
- Led by **small team who had targeted engagement** with decision-makers, unions, and markets
- **Deliberately simple**, to be clear to employees, managers, and administrators
- Linked up with Talent and L&D programmes to **create career opportunities from backfill needs**
- **Successful rollout**, with near equal number of men and women accessing the policy
- By 2020, **99% of new dads took parental leave**, with 84% taking 6+ months

Introduced in 2017  
**New policy:** 26 wks paid for all parents  
**Old policy:** 18 wks paid mat., 2 wks paid pat.



Critical enabler of gender equity in business

Industry: Management consulting  
Size: ~1,000 employees in UK  
Geo: Global

- Opportunity to **address the gender pay gap** and make step change on DE&I
- Led by **lean HR team** who engaged directly with decision-makers to maintain momentum
- Onboarded **senior champions early** who provided sounding board and strong advocacy
- Backed by a **financial business case based on improving retention** to reduce longstanding constraints at mid-management
- Phased in over the course of 2 years; **uptake to date has exceeded 90%**
- Shared **role models stories** and encouraged visible manager support

Introduced in 2019  
**New policy:** 29 wks paid for all parents  
**Old policy:** 26 wks paid mat., 8 wks paid pat.

## CASE STUDIES (2/3): EARLY MOVERS HAVE HAD VARIED JOURNEYS



A value-led decision about the 'right thing' to do

Industry: Retail banking  
Size: ~350 employees in UK  
Geo: UK (Wales focus)

- **Value-led decision**, about the 'right thing to do' for employees, and therefore for the business
- Championed by **affinity groups at grass-roots** who took this on as a 'passion-project'
- **Senior role models** sharing their experiences on LinkedIn and using internal forums has helped create acceptance around men taking leave
- This was the first step to supporting **broader caring responsibilities** among employees

Introduced in 2020  
**New policy:** 20 wks paid for all parents  
**Old policy:** 16 wks paid mat., 2 wks paid pat.



A move to reflect the totality of parenting and align to I&D ambitions

Industry: Consumer packaged goods  
Size: ~8,000 employees in UK  
Geo: Global

- Move to reflect the totality of parenting, shake up cultural norms and take **decisive action to match I&D ambitions** on gender equality
- Context of I&D agenda provided an important **strategic reference** for policy as it aligned to within broader company goals
- Overall move to **global minimum standard** of 4 weeks fully paid paternity leave, where select markets implemented with 26 weeks fully paid leave
- **Business continuity a balancing act** managed through data, effective planning, diverse resourcing sources and candid conversation with managers
- Policy has become an **part of talent planning** via identifying internal backfills and using the leave period to ready them for future roles
- By 2020, avg. days of leave for men had risen from 23 to 105 (357%)

Introduced in 2019  
**New policy:** 26 wks paid for all parents



## CASE STUDIES (3/3): EARLY MOVERS HAVE HAD VARIED JOURNEYS



### Move to address the gender pay gap and challenge societal norms

**Industry:** Financial services  
**Size:** ~59,000 employees in UK  
**Geo:** Global (UK headquartered)

- Driven by desire to **address gender pay gap** and **challenge broader, gendered societal norms** around care
- Led by HR and DE&I teams, with both **bottom-up** (employee networks, affinity groups) and **top-down** (key senior leaders) support
- Policy introduction accompanied by efforts to **change the company culture** around parental leave (e.g., role models, experience shares)
- Rollout has required **extensive operational preparation** to implement system changes etc.

Announced in 2022, Implemented in 2023  
**New policy:** 24 wks fully paid; 13 wks at stat. pay  
**Old policy:** Mat. as above, 2 wks stat. pat.



### Competitor and value-led decision generating employee goodwill

**Industry:** Market research  
**Size:** ~1,000 employees in UK  
**Geo:** Global

- Idea for EPL from **external benchmarking** on best in class UK employer policies
- Led by HR team, keen to have **sector-leading People approach**
- Driven by desire to **support primary caregivers** (incl. those not at Ipsos) by allowing secondary caregivers extended leave; hope to **push other companies** towards EPL
- Policy has generated **employee goodwill**, and fostered a 'great place to work' reputation
- Seeing non-birthing parents **taking leave in 2 chunks**, vs. one chunk for birthing parents

Introduced in 2019  
**New policy:** 12 wks fully paid; 27 wks at 2x stat.  
**Old policy:** 8 wks paid mat., 2 wks stat. pat.



### Believed equal parental leave was the right thing for child wellbeing

**Industry:** Non-profit  
**Size:** ~300 employees in UK  
**Geo:** UK

- Believed it was right thing for children, parents & society – **sparked by UNICEF global report** on child wellbeing (“Early Moments Matter”)
- **Driven by incoming People Director**, motivated by the positive impact for children and parents, potential for broader societal change and his own lived experience.
- **Simple policy document** and **creative internal comms** alongside broad external publicity to create excitement around launch
- Successful roll out with senior role models using policy and high **uptake among men** (avg. 6 mos. for men vs. 10 mos. for all employees)

Introduced in 2020  
**New policy:** 6 wks fully paid; 24 wks half paid  
**Old policy:** Mat. as above, 2 wks paid pat.

# THERE IS REAL IMPACT FROM THIS MOVE



*“Equal parental leave has a **huge impact on my decision to stay** – as a mother, I’m made to feel that prioritising kids is not something I do as a woman, but because I’m a parent.”*

*“I know a few male colleagues who **rejected other offers where compensation was higher** because there was only 2 weeks of paid paternity leave vs. 20 weeks here.”*

*“Equal parental leave put us on a point of parity from the start – we are now in a position where **there is no default around who takes on parenting admin.**”*

*“Due to the 6 months I spent as my daughters’ sole carer, I **bonded a lot faster with her than I would have otherwise** – suddenly it was Dad who knew what her favourite games were, and how to put her to bed”*

*“Implementing equal parental leave will always stand out as **one of the most impactful things I achieved** during my tenure as the company’s leader.”*

*“Introducing equal parental leave was an initiative that allowed me to **deliver tangible impact with immediate results during my tenure as a CEO.**”*

# HOW TO FIND OUT MORE

## Who to contact

Reach out to your relationship manager to ask for further detail about the additional resources listed below – they can connect you as needed

## Additional resources available



Be matched to a peer who has implemented EPL at another organisation

EPL Peer Program pairs those considering EPL with People, HR, and DE&I professionals who have introduced EPL at their respective companies to get first hand advice

Facilitated by BITC's Gender Campaign Team leads



Engage with others starting on this journey by attending peer leader or CEO forums

BITC hosts peer leader forums to discuss this topic with other practitioners and share latest research

In addition to peer leader forums, BITC hosts **CEO forums** for senior stakeholders interested in making a move to equal parental leave



Use EPL calculator to calculate net investment required to move to EPL

Easy-to-use Excel model (mentioned in the benefits and costs section) to determine a first high-level estimate of the investment required for your company to introduce EPL (vs. current offering)



Access a 'pitch' deck to share the case for EPL with senior leaders

Presentation materials that can be send to / leveraged in discussions with your business leaders

# ENDNOTES

- Note 1: Across both the statutory and enhanced policies there are typically eligibility criteria that apply such as minimum length of employment etc. Source: Literature search.
- Note 2: However, if the employer does not have an enhanced policy, 37 of the 50 weeks are eligible for statutory pay of £157 / week which the parents can divide as they see fit.
- Note 3: Source - Business In The Community “Who Cares” Report (2022); Bain & Company Diversity, Equity, & Inclusion Practice Research (2021); Pregnant Then Screwed “1 in 4 parents have had to cut down on heat, food & clothing to pay for childcare” (2022).
- Note 4: Source- Bain Report “Take Action, Gain Traction: Inclusion and Diversity in the UK Workplace” (2019); FTSE Women Leaders Review (February 2022); Nomis Annual Population Survey – Employment by occupation by sex (Jan-Dec 2021); ONS – Annual Survey of Hours and Earnings, ASHE (2021).
- Note 5: Source- Business In The Community “Who Cares” Report (2022); Bain & Company Diversity, Equity, and Inclusion Practice Research (2021).
- Note 6: Equivalent fully paid parental leave weeks = the number of weeks’ worth of full pay that a parent receives on net, e.g. a parent receiving 50% pay for 10 weeks would receive 5 equivalent fully paid weeks of leave. Source - GOV.UK Statutory maternity and paternity policies; OECD Family Database (2020); Bright Horizons Parental Leave Benchmark (2021); EMW paternity leave analysis (2022); TUC Good Work Plan (2019).
- Note 7: Equivalent fully paid parental leave weeks = the number of weeks’ worth of full pay that a parent receives on net, e.g. a parent receiving 50% pay for 10 weeks would receive 5 equivalent fully paid weeks of leave. Maternity leave includes employment-protected leave of absence for employed women directly around the time of childbirth (or, in some countries, adoption), plus any additional parental and home care leave available to mothers; Paternity leave includes employment-protected leave of absence for employed fathers at or in the first few months after childbirth, plus any additional parental or home care leave that can be used only by the father or ‘other parent’; OECD figures based on average salaries. Source - OECD Family Database (2022); World Bank GDP statistics (2021); European Commission “EU legislation on family leaves and work-life balance”, Directive 2019/1158.
- Note 8: Equivalent fully paid parental leave weeks = the number of weeks’ worth of full pay that a parent receives on net, e.g. a parent receiving 50% pay for 10 weeks would receive 5 equivalent fully paid weeks of leave. Maternity leave includes employment-protected leave of absence for employed women directly around the time of childbirth (or, in some countries, adoption), plus any additional parental and home care leave available to mothers; Paternity leave includes employment-protected leave of absence for employed fathers at or in the first few months after childbirth, plus any additional parental or home care leave that can be used only by the father or ‘other parent’; OECD figures based on average salaries - Source: OECD Family Database (2022); World Bank GDP statistics (2021).

# ENDNOTES

- Note 9: Enhanced policy encapsulates all combinations of enhanced parental leave policies offered by UK employers, including Equal Parental Leave; Statutory minimum only includes employers who offer both statutory maternity and paternity leave. Source - Bright Horizons Parental Leave Benchmark (2021); Secondary research.
- Note 10: Note: Statutory data based on average UK salaries as collected by the OECD; Survey data is taken from a cross-sector survey sample of UK & Ireland organisations from June 2021 (n = 361), filtering only for those offering enhanced policies (incl. EPL). Source - OECD Family Database (2022); Bright Horizons Parental Leave Benchmark Raw Data, n=361 (2021).
- Note 11: Source - Company interviews and secondary research.
- Note 12: \*Cost calculated from a starting point of 6 months maternity and 2 weeks paternity leave, range dependent on level of backfilling. Cost assumes all eligible employees take advantage of the policy. Source - “Workers’ tenure and firm productivity” Gagliardi et al (2022); ONS “The Inspiring Leader” Zenger, Folkman and Edinger (Analysis consistent across industries and regions); Bain gender pay gap analysis; BITC “Who Cares?” Report (2022), Bain Inclusive Organization Survey; N = 9,494 (2020); Beqom Compensation and Culture Report (2021); Pitchbook Compensation Report (2021).
- Note 13: Source - ONS, GOV.UK, XpertHR, CompData (for Financial Services), Wild Recruitment, Monster.co.uk, Agency Central, Parental Leave Benchmark Report 2021 (Bright Horizons), Bain analysis & Benchmarking COE
- Note 14: [1] Maternity at 100% pay for 3 months (12 weeks), reverting to statutory policy after, Paternity at 100% pay for 2 weeks. [2] Maternity at 100% pay for 6 months (26 weeks), reverting to statutory policy after, Paternity at 100% pay for 2 weeks. Calculated on the basis of average £30K salaries and 4% of maternity leave and 4% of paternity leave takers per year; assumes all eligible employees take advantage of the policy. Source - ONS, GOV.UK, XpertHR, CompData (for Financial Services), Wild Recruitment, Monster.co.uk, Agency Central, Parental Leave Benchmark Report 2021 (Bright Horizons), Bain analysis & Benchmarking COE
- Note 15: source - ONS, GOV.UK, XpertHR, CompData (for Financial Services), Wild Recruitment, Monster.co.uk, Agency Central, Parental Leave Benchmark Report 2021 (Bright Horizons), Bain analysis & Benchmarking COE.
- Note 16: Source - ONS, GOV.UK, XpertHR, CompData (for Financial Services), Wild Recruitment, Monster.co.uk, Agency Central, Parental Leave Benchmark Report 2021 (Bright Horizons), Bain analysis & Benchmarking COE.
- Note 17: Source - ONS, GOV.UK, XpertHR, CompData (for Financial Services), Wild Recruitment, Monster.co.uk, Agency Central, Parental Leave Benchmark Report 2021 (Bright Horizons), Bain analysis & Benchmarking COE.
- Note 18: Source -Secondary research. BITC / Bain Survey 2022 (n=114); Question was “*What additional support for parental leave returners does your company currently provide?*”
- Note 19: Incremental cost calculations exclude any financial benefits that a company can expect to receive in making the move to EPL, and assume 100% uptake of policy among eligible population, 50/50 female/male ratio, and that current paternity offer starting point no greater than 2 fully paid weeks of leave in all cases (Emerging, Developing, Leading). Source - Interviews, Company websites.

# ENDNOTES

- Note 20: Policy should not require more than 6 months of service before the qualifying week (15th week before expected due date) in order for employee to qualify for parental leave policy. Source - Interviews, Company websites.
- Note 21: Source - Secondary research.
- Note 22: Source - Interviews with UK parents who have accessed equal parental leave policies.
- Copy