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### The baby dilemma: How being family-friendly can keep top talent

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### Flexibility for parents doesn't have to be a headache, it can reap huge financial rewards for your company

There's a baby due on October 7th.

Well, I'm sure there are hundreds of thousands of babies due on that day but there's one in particular whose arrival will be watched closely; that of recently appointed Yahoo CEO Marissa Mayer.

Mayer's appointment back in July heralded a deluge of arguments. It was great that Yahoo has the guts to hire a woman six months into her pregnancy. In Mayer's own words "They [Yahoo] showed their evolved thinking."

Mayer became only the 20<sup>th</sup> current female CEO of a Fortune 500 company, a step in the right direction but bumping women to only 4% of the Fortune chiefs. She would become the ultimate role model of women that *can* have it all. What's not to like you might ask? Well next came Mayer's admission that she would only be taking a few weeks maternity leave, which she would be working throughout.

Some argued that this is a bad example for other working women, many called her naive to think that she would be so unfazed by the arrival of her first child. But mostly, people observed that her powerful position and huge personal wealth would make the whole process a damn site easier, and therefore she was an unrealistic role model.

“We all applaud her,” Princeton professor Anne-Marie Slaughter wrote on the Atlantic’s website. “But she’s superhuman, rich, and in charge. She isn’t really a realistic role model for hundreds of thousands of women who are trying to figure out how you make it to the top AND have a family at the same time.”

The role model issue is a big part of the wider argument around getting women in boardroom and creating family friendly workplaces. Two things, which most would agree, need to increase.

“We encourage organisations to start at the top and look at what they are doing at senior levels,” says Nicola Jones, client development director at Talking Talent – a coaching consultancy which helps companies retain talented women.

“There are real commercial implications in losing people”

Yvonne Smyth, director at Hays

“Companies need to have a real belief that diversity will make a difference to the bottom line – there has to be good role modelling at the top so people can look up and see that it can work.”

There is great value in businesses paying more than just lip service to diversity. Creating a family friendly organisation is one of the proven ways in which businesses can increase their diversity and hold onto the top female talent which too often slips through the cracks.

“There are real commercial implications in losing people,” says Yvonne Smyth, director at Hays, the leading recruiting expert. “Studies have found that age 29 is when women tend to drop off. All of the investment that has gone into these women is just starting to pay off.

“If you can work around this and make sure you retain your female talent you retain value in your organisation. The cost of training new people far outweighs the cost of maternity.”

There may be an even more pressing reason to create family-friendly work places. If the European Justice Minister has anything to do with it, we’ll all be scrambling to fulfil a quota.

**“Publicly listed companies in the United Kingdom are coming under increasing pressure to allocate more board level positions to women and could, under proposals put forward by the European Union Justice Commissioner, face sanctions if they allocate fewer than 40 per cent of seats to women by 2020,” says Neena Patel, solicitor at employment law firm Fox.**

**“Having family-friendly policies in place is likely to help employers to meet this target and to promote equality within their higher echelons.”**

Some argue the cost of offering a decent maternity package isn’t something you should be worrying about. After all, if you’re canny about it you can get most of the cost back.

“Maternity pay involves a complex system of rules but the current maternity rights, subject to eligibility, are six week’s pay at 90 per cent of an employee’s earnings together with a standard rate for 33 weeks after that which is currently at £135.45,” says Jane Crosby, solicitor in Hart Brown’s employment department

“An employer should remember that there are ways of recouping these benefits from the Government, for example, if a business has National Insurance contributions of £45,000 or less then they can recover 100 per cent of their Statutory Maternity Benefits plus an additional amount of

compensation. The monetary argument about the financial cost to a business of a pregnant employee therefore begins to get eroded away.”

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Nicola Jones, client development director at Talking Talent

The argument seems to regularly come back to maternity. If the reason we don't have enough women at the top in business is because women are leaving their roles to go and start a family, then issues around maternity are a priority. Or are they?

“Maternity is a red herring in this debate,” argues Smyth. “People won't stay in a job because of enhanced maternity packages. It's all about flexible working. One of the challenges is that it is a hot topic on the HR agenda but actually quite a lot of the operational part of businesses struggle with the concept of flexible working.”

Many organisations are working on a presenteeism structure. It's a system of working that is so ingrained in our working lives that some struggle to see past it. But according to Smyth, this old system is starting to see challenges from the next generation. Hays is not alone in seeing this kind of pattern.

“Those who work flexibly have a better work life balance and are better equipped to deal with stress,” says Jones. “What we are finding is that Generation Y is rejecting more traditional routes to the top (like working long hours in the office). The challenge for companies is to have a managerial population that buys into the flexible approach.

“We have been working with organisations like Deloitte to improve their flexible working and their staff retention rates have gone from 82% to 93% - if you put a cost saving across each of the heads it can run into a lot of money – millions for some companies.”

The call for flexible working comes from not just working mothers. According to Working Families, 82% of full time working men desire more time with their families. A key finding in a recent survey by the organisation were that fathers who work flexibly have better physical and psychological health, are less stressed and are more committed to their employer.

“It's not a women only issue. The next ten years is vital, we need to see greater acceptance of men taking paternity leave. In the Nordic countries paternity is far more acceptable – there is no stigma attached. This feeds on itself and creates role models for working parents.”

The importance of the issue shouldn't be sniffed at. Women like Marissa Mayer should be able to take up CEO posts without creating such a massive commotion. Hopefully the day will come when a female CEO of a Fortune 500 or FTSE company can be appointed, pregnant or not, without causing a media squabble.