

# Careers After Babies: The Uncomfortable Truth

The report that's been a long time coming

# Thank you

My enormous thanks to the women who shared your experiences. I cried tears reading your stories and I thank you from the bottom of my heart that you were so brave and honest.

I hope that I have shared our collective story in a way that demonstrates what is actually happening, and that some people respond to this crisis. They have to. We are the ones who are suffering.

A huge thank you to our insight partners - Gemma Shambler and Caroline O'Keefe at The Happiness Index; Cat Wildman at Powered by Diversity; Ursula Tavender at FLEXPO; Jessica Chivers at The Talent Keepers; Sharon Peake at Shape Talent; and Sandie Bakowski at Making Change Happen who took the time out of their busy lives to share their expert insight and support this project. I hugely appreciate it.

And I must also thank my dear friends and family who took time out of their busy lives to help me craft the results and do a lot of proof reading! Helen, Katie, Dahlia, Liz, Laura, Gem, Mummy and JH in particular, you have all been wonderful.

Finally, before you get into it, I have a plea. We are a self-funded business and times are hard right now! If this report resonates with you in any way, please help us by doing the following:

- Share the link to <u>our page</u> on social media and with your friends and colleagues
- Seek Careers After Babies accreditation
- <u>Make a donation</u> and help us fund further research
- If you are a business, <u>advertise your roles with us</u>
- Invite me to talk to your business or on a panel
- Implement the recommendations in this report, <u>contact us</u> for bespoke support

Thank you for reading this report. I hope it helps.

Jess jess@thatworksforme.co.uk

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## Who we are

We are <u>That Works For Me</u>. We bring skilled and experienced people, mostly mums, to brilliant businesses in need of exceptional talent.

Our mission is to keep parents in the workplace on terms that work for them.

We are the home of work...that works for you.



For all enquires contact Jess Heagren at jess@thatworksforme.co.uk or visit <u>That Works For Me</u> at thatworksforme.co.uk

### Connect

We<u>connect brilliant</u> <u>businesses</u> with UK-based talent in an affordable and accessible way on our platform

## Diversify

We work with businesses to diversify their workforce and educate them on how to be more inclusive with our Inclusive Colleague <u>Programme</u>

## **Advise**

We provide businesses with <u>expert advice</u> on people and culture transformation and how to hire and retain parents



# Note from the author

In the summer of 2022, we conducted research into what happens to women's careers after they have children. I suspected we would uncover some uncomfortable truths. And we did.

I have been suspicious for a long while. How many mums do you know that have had children and remained happily in their existing career? I don't know many and I'm a woman with (four) children, two of school age and I run a business talking to mothers all day every day.

None of my friends, colleagues or customers are in the same job as they were prior to having children. That might not come as a surprise to you, everyone moves companies, but most of these women aren't even in the same field. They're certainly not doing what they want or earning what they need to be.

#### Why is this?

The world of work simply isn't cut out to cater to working mothers. The UK workforce is full of skilled women working their way up organisations. Then they have children and they are forced out. There is a 32% drop off at managerial level.

11% leave the workforce entirely, resulting in problems that we all discuss openly and pretend not to have the answers to: gender inequality in leadership, the 14.9% gender pay gap,<sup>2</sup> a 10% missed opportunity of GDP growth<sup>3</sup>. All directly attributable to an outdated model of work. It's not just the loss of mothers. Stress and burnout is costing the economy an estimated £35bn per annum<sup>4</sup>. Monday to Friday, 9 to 5 life in the office isn't working anymore.

There are solutions. We need to keep women in the workplace. 98% of mothers want to work. 52% in fact want to work 4 days or more. This is true of women of all background, abilities, socio-economic statuses, industries and locations.

But they cannot when work looks like it does now. Forcing mothers to work full-time from the office or part-time hours with a full-time workload is placing them under insane pressure. Mothers are becoming mentally and physically ill trying to fit into work. Their stories are harrowing.

Everything is stacked against the working mum and businesses are not doing enough to support them. The myth of role protection, redundancies under the guise of "restructures", lack of training and development and the consistent minimising of skills forcing them into lesser roles is all forcing women from the workplace.

When you overlay eye-wateringly expensive childcare, full-time costs an estimated 44% of the average salary<sup>5</sup>, it's a suprise any mothers are working at all.



Mothers need to be able to work less than 35 hours over 5 days. They need to not spend so much on childcare. They need to be respected after they have children in the same way that they were before. They need to keep their jobs. They need to be promoted. They need to be valued. They need some flexibility.

We know that technologically, economically and sociologically we are capable of making the changes we need to make work work for everyone, especially mums. The pandemic proved that it is possible. It drove businesses to implement remote working quickly and fully for the best part of two years. Yes, there were challenges, but they are all surmountable with effort and consideration.

Remote working is just one form of flexibility. It's not for everyone, some prefer to be in an office. There are other types. The 4-day week trial is currently running successfully in the UK with 95% of participants reporting higher or equal productivity and 76% of companies stating that they're likely to make it a permanent change in their business.<sup>6</sup>

Businesses need to be better. There needs to be a better way of working that caters to todays way of life. No one wants or needs it more than mums.

When mums are working they are contributing to the economy. The gender pay gap will reduce. There is an improved chance of equality in leadership. Hard-earned skills remain in businesses. There is less pressure on the workforce meaning everyone is less stressed. Economically it is better for everyone.

Women make up 50% of the population and by the age of 45, 82% will be mothers.<sup>7</sup> Can we really afford to continue to ignore them?

This report is eye-opening and harrowing but tells a truth that needs a spotlight.

Read it. Digest it. Then ask yourself, what are you going to do about it?

#### Jess Heagren, author and founder





## **Guest Foreword**

The data is clear. Despite women entering the workforce in roughly equal number to men, across industries, women's representation declines at every successive level of leadership. Women account for only 30% of managerial roles in the UK, and this declines further at more senior levels. In the UK, women account for only 26% of executives on Exco (FTSE350), and only 4% of CEOs<sup>1</sup>. The pattern is the same as we look across other Western countries.

This 'leaky talent pipeline' has several nuanced and intricate causes that can be categorised into three types of barriers: societal, organisational and personal, of which organisational barriers impact 82% of women. These fall into four key categories:

- 1. Double burden: The pressure between paid and unpaid work is real: workplace cultures still don't fully meet women's needs. At all levels of leadership, women feel expected to work additional hours and this intensifies with seniority.
- 2. Double bind: gender stereotyping means that relative to men, women can experience a lower return, and even a penalty or backlash for demonstrating stereotypically masculine traits such as ambition, confidence and assertiveness in the workplace.
- Discrimination: Unfortunately, harassment and bullying continue to occur in organisations.
  47% of women face everyday sexism and micro-aggressions, and 21% don't believe harassment is dealt with appropriately.
- 4. Lack of development: When it comes to development feedback, numerous studies have shown that women receive more vague, personal and unhelpful feedback than men. This prevents them from getting clear information about their performance that would push them to learn, grow and improve.

Gender equality doesn't just help women, it helps businesses too. Greater innovation, decisionmaking and financial performance have been shown to result from more gender diverse teams. In addition to the direct impact of gender equality to the bottom line, diverse and inclusive organisations also benefit from lower staff turnover and a workforce who are more motivated and engaged, and thus are better able to fulfil their full potential.

Businesses need to step up to capture the real value that women can offer their organisations, starting by:

- Designing the organisation to meet the needs of modern family set-ups such as dual career households
- Counteracting gender biases by changing processes and systems
- Actively nurturing a culture that is psychologically safe and inclusive for all genders
- Structuring career development with measurable processes, strong manager capability and positive action programmes

Real progress requires bold actions from organisations to fundamentally rethink the outdated ways of working that are holding women, and organisations, back.

The time for action is now.

Sharon Peake, founder and CEO Shape Talent

## Findings at a glance



## **Key statistics**

At That Works For Me, we know that the world of work just isn't set up to cater to mums. Women are leaving the workforce in their droves.

In 2022 we conducted research to find out what the impact of this loss is. 848 women from across the UK responded.

These were the key findings.

#### What mothers want

98% of mothers want to work. Given the choice, 86% of women would choose to work 3 days a week or more, rubbishing the sentiment that women don't want to come back to work after having children.

14% of women choose to become freelancers because it offers them the most flexibility, but most are earning less than they did before having children.

#### Leave and childcare

84% of women took more than 6 months maternity leave. 40 of the 848 respondents were made redundant whilst on maternity leave. Just 7% of couples shared parental leave and less than 25% even discussed the possibility of sharing leave.

11% of women became stay-at-home mums after having a child. Only 2% of women admit to wanting to be stay-athome mums.

#### Leave and childcare

85% of women leave the full-time workforce within three years of having children. 19% leave the workforce altogether, most often because their work cannot offer any flexibility or they cannot afford childcare.

Of the 24% that attempted to go back to their pre-children full-time hours, 57% left within two years. Of those, 19% were due to redundancy, 11% due to ill mental health and 36% because it wasn't sustainable. For most mothers, it seems that working full-time alongside having a family is not feasible or desirable.

Where women returned to the same company but to a different role, 79% left the business within two years. This was even higher in middle management roles (more than 80%), thought to be a huge contributing factor to the gender pay gap.

#### The long term impact

It's taking more than 10 years for mothers' careers to recover and get back to the same level of seniority or higher after having children.

74% of women are earning less or the same as before they had children.

#### Loss of seniority

There are 32% fewer women in midmanagement roles after having children and a 44% increase in women in admin and entry level roles. Women are taking lower-skilled roles whilst their families are young and there is a huge exodus of female managers which is undoubtedly contributing to the lack of female leaders in businesses in general. Most businesses are not holding on to talented and skilled women after they have children. The results showed that 85% of mothers leave the full-time workforce within 3 years of having their first child. 19% leave the workforce altogether.

In 2020, 300,000 new babies were born in the UK and 44% of these were first-time babies<sup>8</sup> That means, every year, we lose at least 25,080 mums from the workforce. Every year we lose 313,500 years of experience. And that's just with the first child. The number is likely to be much higher.

This report set out to find out the truth behind those numbers and understand what's happening to women's careers.

Sadly, the findings are not surprising. Work-life balance and career loss are discussed at every play group, in every playground and at every kitchen table in the UK. Mums across the country are deeply frustrated not to be able to work in a way that enables them to be a parent and have a career.

The gulf between what women need and what businesses are offering is vast. The business case is clear. There is a lack of women in leadership positions - just 4% of FTSE250 CEO's are women;<sup>1</sup> just 1p in every £1 of capital investment is going to female founders? there is missed opportunity of a 10% increase in GDP for the UK economy;<sup>3</sup> and a 14.9% gender pay gap that diverges significantly from the age of 30.<sup>2</sup>

The cause of all of these issues is women not remaining in work or taking lesser-skilled, and therefore lesser-paid roles when they have a family.

We are working to an outdated model. Work has not kept up with society. Too few women are happy with their work-life balance and they are not earning enough. They need flexibility. They need to be respected, whether part-time in the office or full-time from home. Their contribution needs to be valued as much after having children as it was before.

The war for equality rages on and it needs support from both men and women. This fight begins with maternity leave and ends with equal access to career development opportunities. Fundamentally though, it requires businesses to commit to changing their culture to suit everyone, not just the few, recognising the value which that creates.

There is lots of practical advice throughout this report in recognition of the changes that businesses must make. The changes aren't always easy, but they must happen.

"The company I worked for got bought by a big corporate and I was made redundant. I then accepted a lower paid position which had nothing to do with my previous role. I accepted it because it offered flexibility and working from home."

## Learnings

Mothers want to...

- Work a 3 or 4-day week in a hybrid way (some home working, some in the office)
- Have equal access to promotions and opportunities
- Have a workload appropriate to their hours
- Be paid fairly for their contribution
- Be treated with the same respect as full-time office based employees
- Not be replaced or made redundant because they are parents

You can better support maternity leave by...

- Having accessible policies that can be tailored to individual needs
- Communicating pregnant women's legal rights openly and honestly
- Working with experts to get policies and practices right and fair
- Educating and coaching line managers ahead of highly sensitive conversations
- Encouraging shared parental leave and showcasing positive stories
- Including all employees on maternity and paternity leave in all communications

If you need further support <u>contact That</u> <u>Works For Me</u>

	How many hours do you work now each week?	How many hours do you want to work each week?
Less than 2 days	7%	4%
2 days per week	11%	9%
3 days per week	22%	34%
4 days per week	25%	36%
5 days or more	35%	16%

You can help mothers in the workplace by...

Implementing flexible working across the organisation with the tools and technology that enable it to be a success. It's great for everyone and levels the playing field

- If that's not possible, finding ways to accommodate flexible working requests from parents
- Genuinely protecting mothers' roles, allowing them to return to their original role after maternity leave
- Reducing workload in line with reduced hours
- Using new recruitment sources to bring in more parents
- Supporting job sharing, especially at management level where there is most loss of women
- Investing in career development for mothers
- Moving to outcome-based performance
- Meaningfully focusing on well-being, reducing stress and prioritising mental health support
- Supporting childcare costs and schemes
- Building a flexible culture, taking into account things like language used around part-time employees
- Removing all traces of presenteeism
- Setting up parental peer groups to connect like-minded people

## **Detailed findings**



We talk to women every day and we know they are rarely in the same job, level of seniority or even field after having children.

Ahead of a visit to Parliament to participate in a discussion on women's careers, we couldn't find the stats to back up our theories.

So we conducted the Careers After Babies research to find out exactly what happens to women's careers once they have babies in the UK.

The findings have given us not just the data but also the stories, which are equally as important to understand what's happening.

> The findings cover four key areas: maternity leave; working patterns; career progress; and what mothers actually want.

> Within each section are the findings from the data, expert insight from one of our partners and then what we can learn from the results including lessons for businesses, because this data is only useful if we take action.



## Methodology

The survey was launched via Typeform on 8th June 2022. It was open for approximately nine weeks closing on 17th August 2022. Only women in the UK were invited to respond.

The survey was distributed via social media (LinkedIn, Facebook, Instagram and Twitter) and via email to the customer base and followers of That Works For Me. The audience included businesses, freelancers and jobseekers. The survey was advertised by a number of individuals with whom the business shares a marketing relationship.

Not all questions were obligatory. Nil responses were ignored from the findings.

848 complete responses were received. A number of diversity questions were asked for data purposes including race, geographical location, sexual orientation and whether the respondent had a disability. The dataset for responses in relation to sexual orientation were too small to be meaningful.

A small focus group was held to discuss findings and analyse results.

We are incredibly proud of this report and it's contents but there are things we can do better next time. In particular we would like to broaden the diversity of our respondents - especially race, location and ability. We would also like to explore more positive stories from businesess who are getting it right. If you can help with this then please <u>get in touch</u>.



## The respondents

The survey was open to anyone and everyone, as long as they were based in the UK and had given birth to a child. A whole range of industries, ages and geographical locations were covered.

We invited respondents to complete diversity data too. We were disappointed not to receive more responses from non-white ethnicities, despite our efforts, so this will be a concentrated focus of future reports.

Each of the questions has been reviewed from a diversity and inclusion perspective and any notable differences recorded throughout.

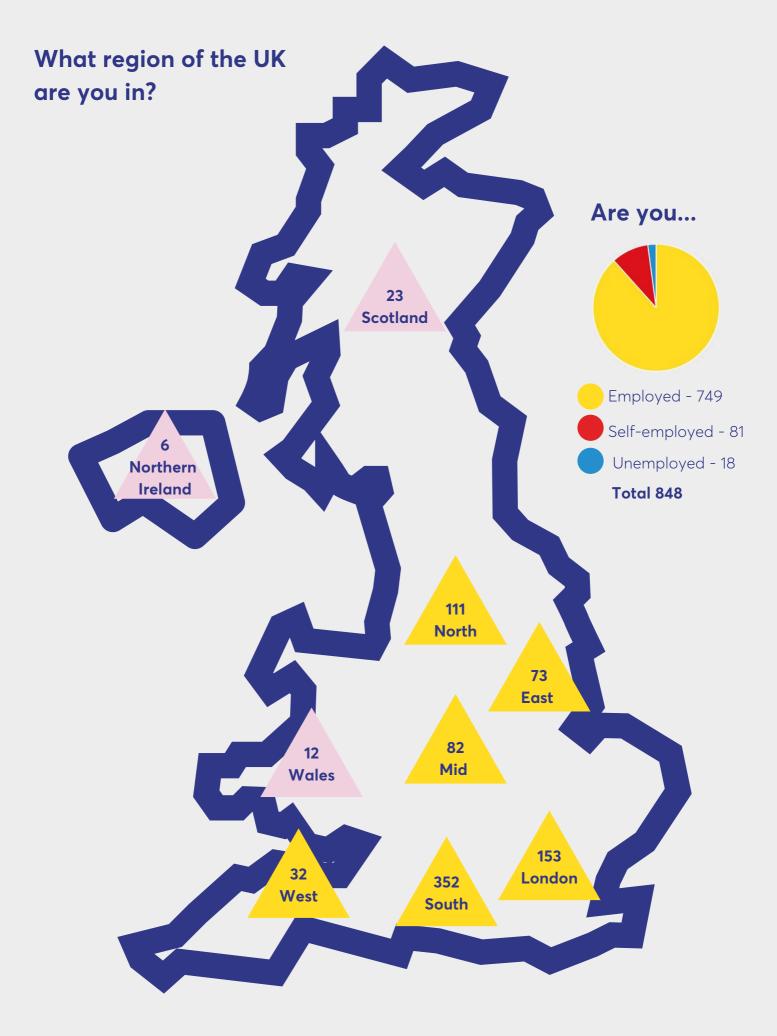
Do you have a disability?		
Not disclosed	781	
No	40	
Yes, accessibility needs	1	
Yes, disability	26	

Which of the following best describes your ethnicity?			
Not disclosed		47	
Asian or Asian British		31	
Black, African, Caribbean or Black British		7	
Mixed or multiple ethnic groups		22	
White		741	

Which sector did you work in before	you
had children?	

had children?		
Accountancy	34	
Advertising, Media & PR	51	
Agriculture & Farming	1	
Business Services	31	
Charity & Voluntary	33	
Construction	17	
Education	91	
Entertainment	23	
Financial Services	88	
Food	9	
Health & Wellness	38	
Hospitality	13	
IT & Technology	45	
Legal	24	
Marketing	70	
Other	114	
Public Sector	52	
Publishing	13	
Recruitment	24	
Retail	35	
Science 14		
Transport & Logistics	13	
Travel	9	
Not applicable	6	
Total	848	







## Why this matters

Women make up 50% of the population and, by age 45, 82% of women are mothers.<sup>7</sup>

In 2020, 300,000 new babies were born in the UK and 44% of these were first babies.<sup>8</sup> We found that 85% of mothers leave the full-time workforce within 3 years of having their first child and 19% leave the workforce altogether. These numbers only increase with each child.

That means that every year we lose we lose 120,000 mums from the full-time workforce and every year we lose 25,080 mums from the workforce altogether.

Every year we lose 313,500 years' experience.

These are other reasons this matters...

### Gender pay gap

There is a 14.9% gender pay gap that is 1% up to the age of 29 then increases to 12.3% for age 40 and over.<sup>2</sup>

It's no coincidence that the average age of a first time mother is 30.<sup>10</sup>

### Lack of choice

If a woman wants to go back to work after having a baby, funding in the UK is only available for childcare in the school term after a child reaches the age of three. Our childcare costs for a 2year old in full-time childcare are in the region of £14,000 per annum. The average UK salary is £31,772, meaning 44% of salary goes on childcare.<sup>5</sup>

Women often make up the shortfall we know that they spend 77% more time on childcare than men.



### Leadership

4% of FTSE250 CEOs are women and just 11.6% have female directors.<sup>1</sup>

Less than 1% of capital investment went to women. That's less than 1p in every £1 of investment.<sup>9</sup>

### Case study: The fight for flexible working

"I've managed to negotiate flexible working but only because I know the law. Before returning after the first mat leave they refused my request in person in my meeting and I was able to call on their comments to appeal. They budged a little but it was more lip service rather than anything practical so I handed in my letter of resignation and they u-turned. The request was to work 4 days in the office instead of 5. So I obviously had a pay hit while they still ended up with the same productivity out of me.

When I got back I fought for two years to be given the opportunity to work from home in case of emergencies. I ended up getting everyone's contracts changed so they could have 5 days a year to use to work from home.

After having my second, I requested to work a hybrid model of 2 days in the office and 2 days wfh. They initially agreed then revoked it to just 1 day working from home. However the pandemic hit while I was on that mat leave and my return to work was fully at home.

I then fought for another 18 months to be allowed to work 50/50. Again it was refused but again I was able to get them to change their policy after pointing out they broke the law by not giving me a reason that fit within the 8 reasons in the ACAS code of practice.

Since my return, I have felt pushed out and made to feel like a naughty school child for having these requests and fighting my corner. I'm convinced they're trying to make me leave as I've been there 12 years and as such I've built myself a niche and grown my salary beyond what I would receive elsewhere.

This is the only reason I fight everyday to stay or I'd be gone in a heartbeat. For the last seven years of being a mother, a lot of the time I'm working for less than nothing/next to nothing due to the childcare costs, but I'm trying to hang on for the long game.

It's not a fun existence and I'd probably be happier and actually better off if I didn't work, but mentally I need the structure work gives me, so it's something I suffer for now in the hope of brighter days."



## Part 1: Maternity leave



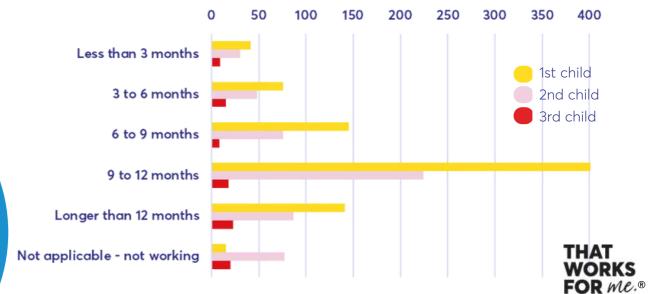
### Length of maternity leave

As the UK ranks third in the world for maternity leave rights, the assumption is that women have a choice over how long they take off after having a baby. UK law states that a woman can take up to 52 weeks off, returning to the same role if less than 6 months or a suitable alternative if more than 6 months but less than a year.<sup>11</sup>

We asked respondents how much maternity they took with each baby, what the drivers were behind that decision, whether they shared leave with their partner (if there was one), and then what happened when it was time to return to work.

> After having their first child, 50% of respondents took 9-12 months off, 17% took 6-9 months off, and 17% took longer than 12 months.

Women were more likely to take upwards of 9 months for their second and third child unless they were freelance or business owners in which case they often took less than 3 months. "I had 2 weeks officially off then had to start bits here and there between a postnatal fog. I felt I had to be self-employed as no one else could run the business and I couldn't afford to outsource. But I also was not prepared for the shift into motherhood..."



#### How long did you take for maternity leave?



### Decision making

41% of respondents would have taken longer maternity leave if they were able to afford it. One of the most common sentiments expressed was the cost of childcare in preventing a return to work. Many respondents made reference to lack of support available during maternity leave and the negative impact the leave had on their mental health. They questioned whether they were well enough to return from maternity leave and expressed that they had struggled with the shift to motherhood. It raises the question how well businesses and society as a whole are supporting new mothers and whether the mental state of women returning from maternity leave is being assessed.

What was the main driver of how much maternity leave you took?

Work My employer or clients needed me back **9%** 

"I found it hard to return to work. There wasn't any preparation for how you might feel about returning to work."

#### **Children** The needs of my

child or children 31%

**Self** I wanted to get back to work for me

#### 20%

Money I would have taken longer off if I could have afforded it 41%

"It was very lonely and I was so ready to get back to work. I didn't realize how difficult I would find it and how much I would miss working."

"I felt quite overwhelmed and isolated at times during my mat leave but overall I did enjoy it." 20% of women wanted to get back to work for themselves, though the reasons behind this were mixed. A number of responses referenced feeling lonely and isolated, particularly prevalent in those who gave birth during COVID.



### Earnings

When asked what the main driver was for how long maternity leave lasted, the answer varied hugely by earnings. Women earning up to £36k per annum largely cited money as the key driver for their return and stated that they would have taken a longer maternity leave if they could have afforded it.

36% of women earning above £100k stated "the needs of their children" as the main driver for the length of their maternity leave. A further 32% chose "self - I wanted to get back for me" suggesting money afforded freedom of choice. Approximately a third of this group chose to return to work and another third chose to be with their child.

Across all earning brackets there were references to the shock of adapting to motherhood.

"I didn't feel pressured to return and am lucky enough to be able to afford a nanny and work from home and so can spend plenty of time with my daughter but it has been a shock. Culturally, physically and mentally. I have been judged by people for going back to work 'too soon'. I have been told by others that I must not love my daughter as much as my job. I love being a mother but the bills don't pay themselves. My mind doesn't sustain itself either and frankly my being a founder, mother and partner is who I am now, and I'm richer for it. But just being a mother would be much harder and I'm very aware of how lucky I feel to have the balance that I do. " "I put pressure on myself to return. I hadn't wanted to hire a maternity cover in case I lost my role so I went back in under 5 months. It was a mistake. I wasn't ready and my job, my baby and my mental health suffered as a result."

"The cost of childcare would have exceeded my income from the same hours worked so it was uneconomical for me to return to work."



### The impact of seniority

Where women were running businesses or were owners of limited companies, they felt more pressure to return to work more quickly, despite generally earning more. 28% of freelancers took off less than three months. 52% of Department Heads and 20% of Directors took between three and six months.





"The pandemic hit during my maternity leave and I was worried about my job so I went back 3 months earlier than I wanted."

"I couldn't work part-time and didn't want to be away from my children for 5 long days a week. Now, the main driver for the fact I am still part-time and freelance and won't consider an employed role is financial. The cost of childcare is just far too high to make it worthwhile to work fulltime or even 3.5/4 days a week." "As a senior leader in the business, I felt pressure to return quicker (but I held my nerve) and also pressure to keep involved with the business on my mat leave."



## Treatment whilst on maternity leave

Commentary from respondents suggested that the treatment of women whilst on maternity leave contributed significantly to how they returned to work and how long that arrangement lasted.

It suggested that engagement, loyalty and length of service were significantly impacted by how maternity leave was handled.

"I was contacted every month asking when I would return to work, which helped me to decide to resign."

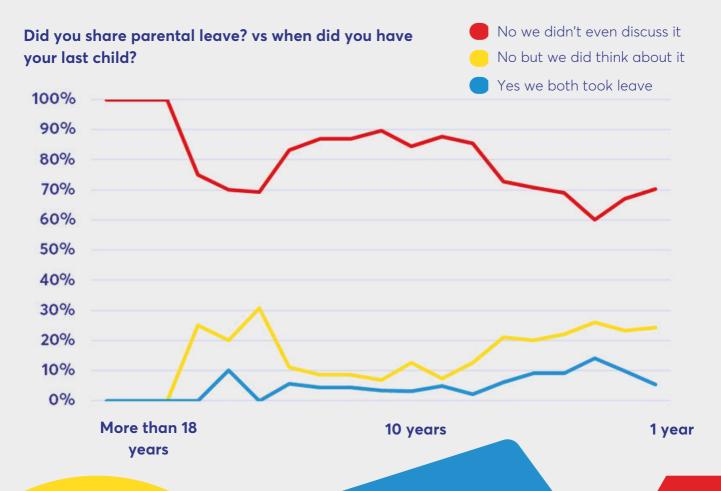
"I wasn't invited to the Christmas party and wasn't told that my manager had left, so when I was ready to come back I had no idea that I was emailing someone who no longer worked there. Both experiences were humiliating and contributed to my eventual decision to leave, I felt forgotten as soon as I'd left the building."



### Shared parental leave

In 2015, the UK government introduced the legal option to share up to 50 weeks of parental leave. Utilisation has been low at 2% nationally.<sup>12</sup> Our findings showed that 7% of women shared leave with their partner. Just 25% discussed it with their partner as a consideration.

On a more positive note, the discussion is happening more frequently as time goes on, with 7% discussing it in 2015 to 25% in 2022. Before 2015, many respondents stated that shared parental leave "wasn't an option" and an average of just 10% of couples discussed sharing any leave.



"We were going to do shared parental leave. My husband's employer hadn't even considered they might lose him for a while when he told them we were having a baby. They gave him a pay-rise so it took away the financial part of our decision but in hindsight I think he should've spent the time with the baby, regardless of money." "My partner took 1 month of leave and the reaction from his employer was quite negative. They expected him to still be available for emails and calls, and didn't understand why he couldn't do work when the baby was asleep. He would have taken more leave if it wasn't for this lack of support and understanding. I feel that more needs to be done to support both parents to take time off."

"My husband felt he couldn't ask for paternity leave as he's not a confident change-maker type." Whilst we didn't explicitly ask the question, many of the responses indicate that finances continued to underpin the decisions taken around shared parental leave. A comment that came up frequently was around either parent being self-employed and therefore having no option of maternity or paternity leave at all.

Other commentary suggested that taking parental leave for men was still considered to be away from the norm and that is likely to be what is driving the under-utilisation.

In more than one instance, there were comments relating to the business' ability to support shared parental leave, suggesting that parental leave for men is still not standard practice for many businesses.

"We would have liked to take shared leave, but neither of our companies were confident or helpful in this matter. We eventually gave up as we couldn't work it out without feeling like we were going to be significantly financially impacted." "My first maternity leave was quite isolating, the second time the law had changed and my husband was able to share the leave and this was a much better experience for us all."

"We tried to use Shared Parental Leave, but due to technicalities in the policies of my husband's workplace, which had initially seemed generous, we discovered we would have lost a significant amount of income using SPL. So we didn't."



### **Diversity**

### Geography

Across the UK, the majority of women cited money as being the key driver in their decision on how long to take off for maternity leave. However in London and the West, the needs of children were ranked equally as high, despite a significant discrepancy in earnings for the two areas; 53% of all London respondents earned between £36k and £75k per annum whereas in the West 68% earned between £12k and £36k.

East England (11%), North England (13%) and Northern Ireland (17%) showed the highest number of couples sharing parental leave. There was least take up in Scotland (5%) and the South (4%), despite it being discussed the most in Scotland (23%), London (22%) and Northern England (22%).

Most regions confirmed money as being the biggest driver of returning to work, this was particularly prevalent in Mid-England (43%) and Northern England (43%).

#### Race

Data showed that where 6-9 months maternity leave was taken there was a higher proportion of women who identified as Asian (26%) than those who identified as black (14%) or as white (16%). 50% of mothers of mixed ethnicity and 51% of white women took between 9 and 12 months of maternity leave with their first child compared with 42% of black women and 43% of Asian women. A comparatively higher proportion of black (29%) and mixed race (27%) women took longer than 12 months compared with white women (17%)

Black women most commonly returned to work for financial reasons (70%) versus Asian (46%), mixed race (42%) and white (40%). Shared parental leave was most commonly discussed in respondents that identified as mixed race (36%) and black (29%) though the number of responses were much lower.

Women with a disability most commonly took between 9 and 12 months maternity leave with their first child.



## Learnings

#### What's happening?

Maternity leave is an emotional and tumultuous time, as women undergo the biggest transformation of their lives.

68% of women took between 6 and 12 months maternity leave, as they are legally entitled to. 41% would have taken longer if they could have afforded to. Employers could offer more generous maternity pay, but this isn't possible for everyone. Childcare costs exacerbate this issue as returning mothers have to pay away so much of their salary.

Taking more than 6 months leave means that legally mothers are entitled to return to their role or a similar one. Senior leaders are going back in less than 6 months, seeing this as the only way they can protect their careers. Freelancers and business-owners are taking even less leave as they have little or no support.

Shared parental leave was intended to redress the balance between men and women by offering both parents the opportunity to take leave, however at 7% uptake, it is not being used. Just a quarter of couples are even having the conversation.

Treatment of women whilst on maternity leave is leaving them feeling disconnected from their employer. Whilst different women have different needs, the one consistent message was that they want to know about important changes that will impact their work. Line managers though are forgetting about them and leaving them out of updates. When they are talking, conversations feel insensitive and women are feeling pressured to return to work.

Many don't even have the opportunity to return. Re-structures are cited as the reason for 5% of women being made redundant while they are on maternity leave, despite often only impacting the mothers. Assumed lack of knowledge of their rights is often abused, as evidenced by the threat of redundancy being rescinded once the women tell their employer it is illegal.

"Maternity leave was overshadowed by the worry of work, if they would let me go back part-time, what would that look like, would I be overlooked for opportunities or considered less worthy as my peers who were fulltime. I had seen in the past people's opinions not taken as seriously because they are only part-time and someone who is fulltime has more weight."

"I got completely shafted at work by my boss - they were trying to make me redundant as they wanted rid of me. In the end I threatened to take them to a tribunal and we came to a financial settlement and acknowledgement from the company that they'd handled it very badly."

"My decision to take 5 months mat leave wasn't purely a financial decision. I knew that by taking less than 6 months ordinary mat leave I would be able to return to the same job. A job I had worked really hard for."



#### What's causing it?

The experience of maternity leave is not easily understood unless experienced. Long-held views about so-called "baby breaks" perpetuate stereotypes by suggesting that most women don't want to come back to work.

There is often a conflict between the business responsibilities of the individual manager to keep costs down, keep fully resourced and have the best people for the job. Individuals' performance can be quickly forgotten once they are away from the business and the work is completed satisfactorily by someone else. Flexible work requests and part-time hours become seen as additional work or administratively difficult and are often the underlying reasons for so many redundancies. It is easier to just say no.

Most line managers are not being trained effectively to have conversations around maternity leave. Comms strategies aren't in place so mothers are forgotten about or ignored as they are seen as a nuisance to communicate with. The difference is notable where line managers are understanding and empathetic.

There is not yet enough evidence to see whether the same can be said for men on paternity leave. Slow uptake is driven by a lack of promotion and in some cases active discouragement. As some public figures have been disparaging men taking paternity leave, it does not yet feel "normal". That said, it is happening more frequently as time goes on and there is an opportunity to normalise, particularly as experiences are generally so positive.

#### What's the impact?

Maternity leave is the point at which male/female pay divergence begins, going from 1% by age 30 and then increasing to 14.9% by the age of 40.<sup>2</sup> The average age of a first-time mum in the UK is 30.<sup>10</sup> It's the point at which we lose women from the workforce, careers halt and the inequality issue really takes hold.

A lot of this comes down to how maternity leave is handled.

The inadequacies in communication throughout maternity leave combined with difficult and often badly-handled return-to-work conversations leads to great anxiety around returning to work and a lack of engagement once back at work. Women not feeling connected with the business makes it easier to leave that business.

It is financially difficult for women to take maternity leave because of insufficient maternity pay and then financially difficult to return to work because of childcare costs. Both options can make leaving and returning to work prohibitively expensive.

Additionally, women are conflicted by their desire to be a mother and desire to be an individual with a career. Society exacerbates this thinking as mothers are made to feel guilty about leaving their children to go to work and for having career ambitions. Having both often requires the woman to fight stereotypes and continually explain herself. It can be easier to accept the worldview and not go back, especially when they feel unwanted and excluded at work.



#### How do we fix it?

It is short-sighted of businesses not to support women through maternity leave and make the direct link to their gender imbalance in leadership and gender pay gaps. They are missing the opportunity for financial gain by not bringing women back from maternity and supporting them through the early years of family life.

The good news are that there is lots businesses can do to be better employers for mothers. It begins with good policies, sensitive line management and open and honest conversations. These tools should be used to retain and promote valued skills, not feared and weaponised.

Even though it might cause additional work in the short term, maternity leave should be seen and talked about for the amazing thing it is - enabling someone to do something incredible. "I receive no comunications or anything from the company while I was off. There were lots of changes in thie time and I couldn't go back to my old role."



"There was fear that if I didn't return to work after my maternity leave that I would be expected to repay some money to my employer. When I didn't return this turned out not to be true. A lot of fear based mis-truths."

"I used the KIT days to start work 1 day per week in the 10 weeks before my mat leave officially ended."

"I found keeping in touch days valuable for still understanding where the team were at." What businesses need is:

- Good policies for maternity and paternity that are accessible and easy to understand
- Manageable and consistent communication strategy agreed with the parent and tailored to their needs, which should include keeping-in-touch days
- Individual positivity files reminding both the line manager and mother what they were good at and how well they performed before going off
- Line manager's training is refreshed when it becomes relevant and access to coaching while handling maternity leave and return-to-work conversations
- Showcasing successful return-to-work stories that encourage everyone and normalise maternity and paternity breaks
- Promote paternity leave until it feels normal to ask for it
- Reduce fear and anxiety by genuinely protecting roles from re-structures
- Take extra care with language avoiding unhelpful terms like "baby break" and "holiday" in relation to maternity leave
   For more tailored advice, <u>get in touch</u> with That Works For Me.

## **Expert insight**

Did you hear the one about the employee who wasn't invited to her work Christmas party and didn't know her manager had left? It's not a joke but it is real, and it happens to women on maternity leave more often than you'd think. This report tells us employers need to put more thought into the employee experience around taking maternity leave.

Maintaining a sense of connection is vital when a team member goes on maternity leave. As is a focus on her confidence and her feeling cared for. Those are the three pillars we focus on in our work with people coming back after maternity and other work breaks.

Businesses struggle with maternity and shared parental leave because it's not built into their employee experience processes in the way that onboarding new employees or supporting first-time line managers probably is.

This is strange because most people will become parents and most women will take 6+ months of maternity leave. It's short-sighted not to plan for women – and increasingly men – taking a break when they become parents. At the very least it makes commercial sense to 'look after' the employees marked as 'high potentials' or who are in hard-to-recruit roles, when they go on leave because you want to retain them.

Smart employers recognise that the run up to maternity leave and the time away itself, is a period of massive emotional, physical and career upheaval. They do their best to mitigate the anxiety and practical challenges that come with having a child through offering things such as phased returns, coaching, line manager training, sponsorship and subsidised childcare. Progressive law firms reduce billing targets for a number of months following a return from maternity leave and other employers are careful in how they rate and remunerate returning employers at annual review (looking to past performance not only the period following their return).

## Jessica Chivers, author, coaching psychologist & founder of The Talent Keeper Specialists



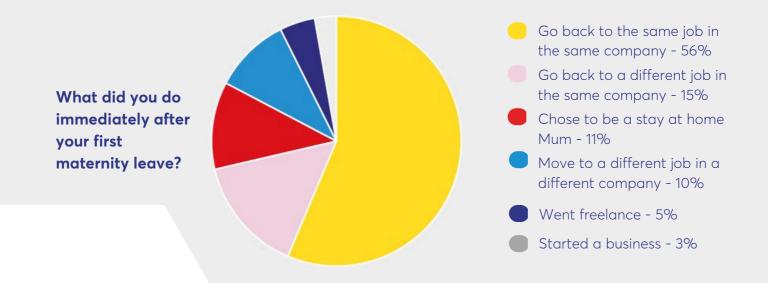
## Part 2: Working patterns



## **Returning to work**

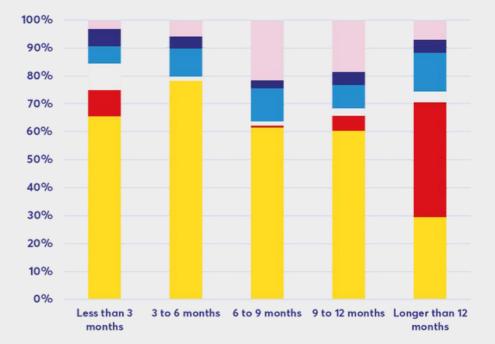
After giving birth to their first child, 56% of women went back to the same job in the same company. 15% went back to a different job in the same company and 10% moved to a different job in a different company.

11% opted to be stay-at-home mums. An interesting statistic given the widely held perception, and often cited in industry, that women often don't "want" to come back to work.



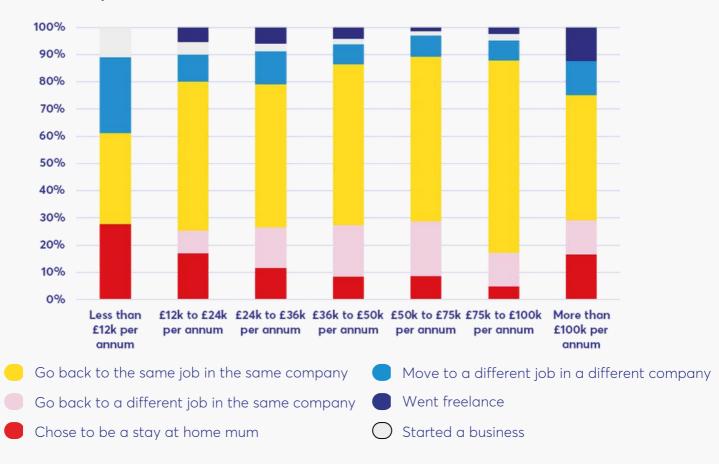
The UK legal requirement is to be able to return to the same role if taking less than 6 months maternity leave.<sup>11</sup> Where women took maternity leave of less than 6 months, 78% were able to return to the same job in the same company, meeting the legal requirement, and 6% returned to a different job. Of the remainder, 10% moved to a different job in a different company, 4% went freelance and 1% started their own business.

The UK legal requirement for women taking more than 6 months maternity leave is to be able to return to a similar role.<sup>10</sup> 60% of mums that took between 9 and 12 months of maternity leave also returned to the same job and 18% moved to a different job in the same company.



How long was your first maternity leave vs what you did immediately after your first maternity leave

## Earnings



## How much were you earning vs what you did immediately after your first maternity leave

Women earning less than £24k or more than £100k were most likely to choose to be stay-athome mothers, likely to be financially driven but for opposite reasons. Higher earners were more likely to go freelance (13%).



Women earning less than £12k were most likely to move company, perhaps due to the likely less-skilled, higher administration work.

Lower earners (below £24k) were also more likely to start their own business and success was fairly polarised with 50% ending within a year and the other 50% lasting more than 3 years.



Women earning £36k-£75k were most likely to return to the same job in the same company after maternity leave (18%), but a higher proportion returned to different roles (57%). They were least likely to stick with this working arrangement for longer than two years (72%) suggesting a considerable loss of talent from the workplace at the management level immediately after maternity leave. Commentary suggests this is often due to a lack of support, poor culture concerning part time employees and reduced engagement with their work.

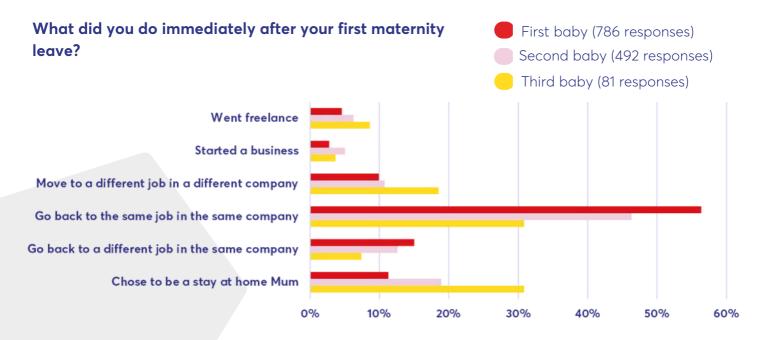
"My treatment at the previous company after having a baby made it impossible to stay. This was despite the 2 years previous to my maternity leave getting positive feedback, promotion and pay increases. It felt as though having a baby made me less in my job (Same company, different job left in less than a year)." "I was told that they were shrinking the team and that only one full-time position was available. So I had to take it. I was back for less than 6 months".

How much were you earning vs what you did immediately after your first maternity leave vs how long did the arrangement last

	Go back to a different job in the same company			same job in the ompany
	Less than 2 years	Two years or more	Less than 2 years	Two years or more
Less than £12k	N/A	N/A	50%	50%
£12k - £24k	50%	50%	49%	51%
£24-36k	65%	35%	55%	45%
£36-50k	71%	29%	59%	41%
£50k-£70k	80%	20%	71%	29%
£75k - £100k	80%	20%	62%	38%
£100k+	100%	0%	73%	27%
Overall	70%	30%	59%	41%

## Multiple children

After having their second child, 46% of women went back to the same job in the same company. 19% chose to be stay-at-home mums, 13% went back to a different job in the same company and 11% went to a different job in a different company.



43% of women kept the same hours after their second child suggesting that perhaps they had found a working arrangement that suited them (commentary also supported this theory) and 34% kept the same arrangement for three years compared with 31% of women after their first child. 19% chose to be stay-at-home mums after having a second child and 31% after 3 children demonstrating how difficult it is to balance work and family. This is further demonstrated by the decrease in employed mothers.

Freelancing became increasingly popular with each child. Commentary suggested this is entirely due to the flexibility afforded by that style of work.

#### What did you after each maternity leave?

	After one baby	After two babies	After three babies		
Number of respondents	844	542	93		
%age of women that had more children	-	64%	17%		
How many we lose from the employment workforce					
Employed	81%	70%	57%		
Stay at home mum	11%	19%	30%		
Started a business	3%	5%	4%		
Freelance	5%	6%	9%		

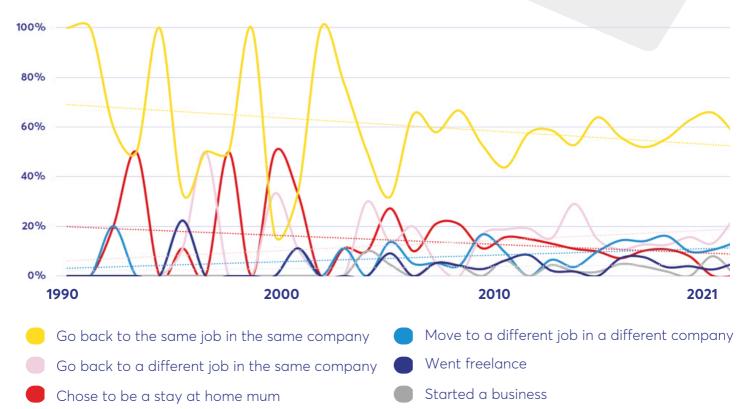
## Changes over time

In women who had their children more than 15 years ago, results were more polarised and there was less mobility. Women either went back to the same job in the same company or they chose to be a stay-at-home mum.

Where they did stay with the same company, this generally lasted more than a year; most likely due to the fact that maternity pay would have had to be re-paid (this is no longer the case).

Evidence of women choosing to start their own business or go freelance really started to emerge in the last ten years increasing from 7% before 2012 to 15% in the last ten years, when women appeared to have more options.

## What did you do immediately after your first maternity leave vs what year did you have your last child?



"I felt like being a parent was inconvenient to my employer and they were not going to offer the flexibility I needed. I also employed my mat cover, the job description had to be halved, they had to pay him £5k more a year and expected me to go back to my role on the same salary knowing this. Shocker. I decided to work for myself!"

"Childcare costs have been such a burden and at times have lead to difficult decisions on what to do for the best for everyone."

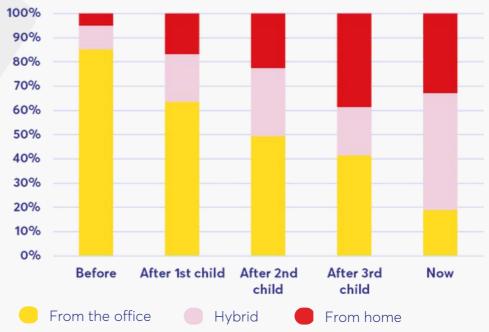


## Location

### Where did you work?

An important decisionmaking factor for mothers was where work could be carried out.

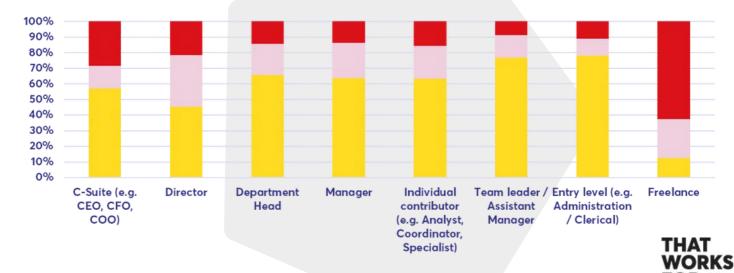
Commentary was very positive about employers who were able to offer hybrid or home-working and this was consistently cited as the flexibility that enabled women to work.



Before having children 84% of women worked in the office. This dropped to 60% after their first baby, 49% after their second and 41% after their third. This dropped to 16% now, though there is a huge mix in time since respondents had their last child. Of course all results, especially 'now' will be hugely impacted by the pandemic and the increased number of businesses offering or requiring home working.

Home working seemed to be afforded to more senior levels of the organisation with 29% of C-Suite and 21% of Directors working from home, compared with 9% of team leaders and 11% of entry-level roles. Office-based working was highest for entry level and team leaders, suggesting flexible working is still very much considered "a perk".

Freelancers are perhaps, unsurprisingly working from home the most, consistent with commentary stating that it's the very reason women freelance.



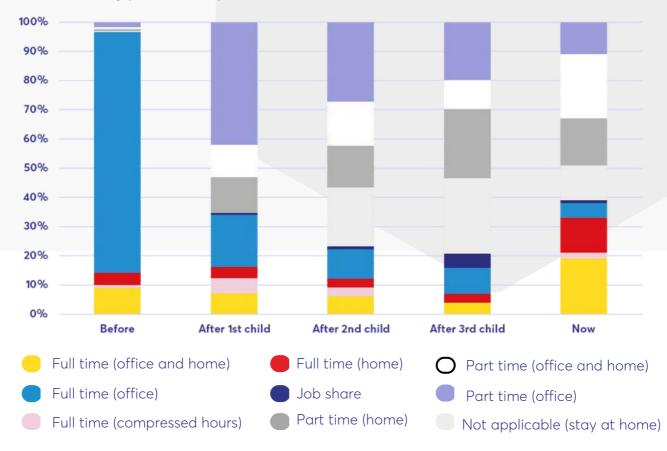
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### Where did you work after the birth of your first child? vs what level were you at?

## Working pattern after maternity leave

96% of all respondents were working full time before having children. After having one child, this number dropped to 34%, then 22% after the second and 16% after the third. Now, 38% of respondents are working full time, though some will have very young children and others much older.

Most respondents returned to work on a part time basis (66%). Only a very small number went back to job shares (1%), most commonly at the middle management or entry level of organisations. Compressed hours were most common after one child (5%) at management level.

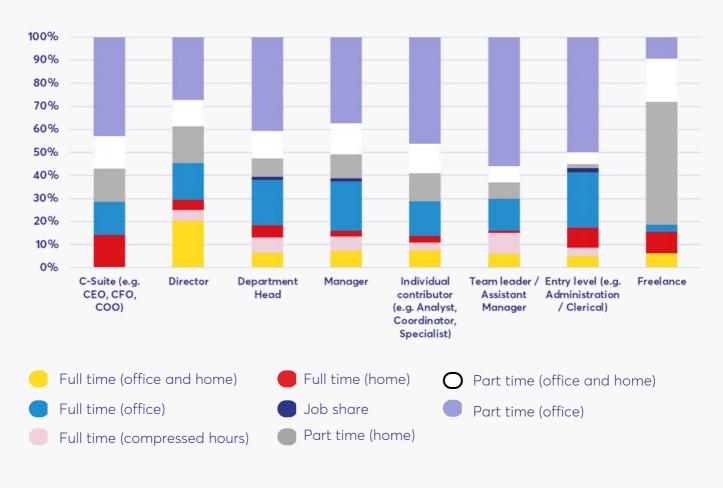


What working pattern did you follow?

"The cost of childcare full time ended up being almost the same as me working full time hours so I reduced down to 3 days a week."

"I cant afford childcare. My husband work on weekdays and I on weekend so that one of us is always home to take care of the kids. I would love to go back to work full time but currently can't " "I would have gone back to work sooner but childcare was too expensive. I'd have less money than not working."

## Seniority



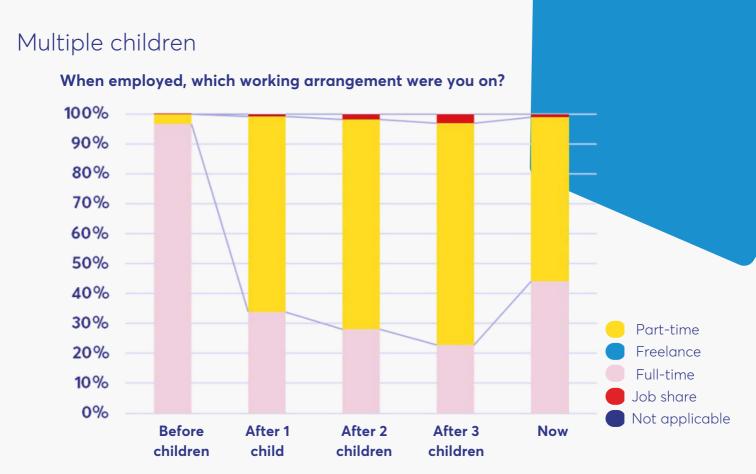
## What working pattern did you follow after your return from maternity leave vs which level were you at?

Part time working is most common in C-Suite (71%), individual contributor (71%) and team leader (70%). It is least common at Director (55%) and entry-level (57%)

Full time working is most common at Director level (45%). Entry-level is also high, perhaps due to flexible working not yet having been "earned".

"My role was given to someone else as part of a reorg without informing me. So I had another role. " "I was replaced whilst on maternity leave and had to start legal proceedings." "Childcare and fuel costs made working full time seem pointless."

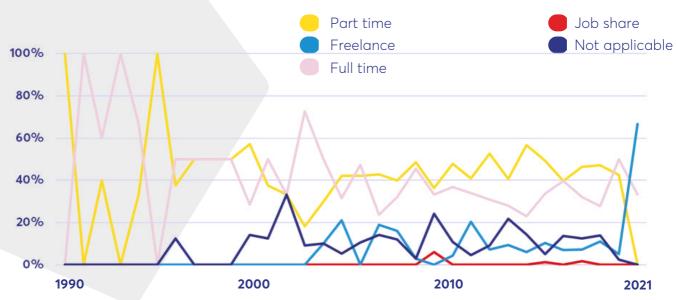




Unsurprisingly, more women worked part time the more children they had. It appears that this was maintained after having children although "now" includes women with children of various ages.

### Over time

Part time hours increased over time as did alternative arrangements such as job shares and freelance.



## What working arrangement did you return to after your first maternity leave vs how long has it been since you had your last child

## Hours

Of those women that returned to work, 23% went back on the same number of hours. Just 25% remained in this arrangement beyond 3 years, suggesting that 75% of women leave the full time workforce immediately after having their first child.

A further 14% leave within the first two years of their return to work.

That's 89% of women that leave the full time workforce within 3 years of having children which suggest that for most women, full time work simply isn't sustainable while their children are young. "The cost of childcare vs income is astronomical. As someone who strongly believes in sending my child to nursery and all the benefits that it brings, but also wants the best for my family, it has been an incredibly difficult adjustment to make, financially and emotionally. I never wanted to be a stay-at-home mum as I do not believe that would be the best for my daughter (or myself), but I am also struggling to rebuild a career and care for a child!"

Increase



### How long did that arrangement last?

	Less than one year	One to two years	Two to three years	More than three years
Increase your hours	35%	<b>29%</b>	18%	18%
Keep the same hours	32%	25%	16%	25%
Reduce your number of hours	26%	31%	15%	26%
Stop work altogether	2%	12%	14%	70%

"Tried to go back on a flexible basis but from my first meeting - my maternity replacement cover said he could also do my job and I was asked by HR what other job I think I could do in the company. All a huge shock. My flexible working request wasn't even discussed...."



### 57% of women that went back to work on the same hours as they were on before maternity leave lasted less than 2 years. What happened?

35% of arrangements were deemed unsustainable due to childcare costs or travel

14% had another baby, commentary suggesting that in many cases this was a conscious decision to get back out of work

11% suffered a mental illness as a direct result of their returning to work and motherhood

19% of respondents were made redundant



Arrangement revoked 3%

### 57% of women that went back to work on reduced hours also lasted for less than 2 years - what happened?

Had another baby 14%

III mental health 11%

22% moved to another company, commentary suggests this is most frequently due to the culture of their business.

19% had another baby

12% either left or went back full time because they were working a full-time workload anyway, clearly this wasn't sustainable in the long term.

8% found the pressure of work and parenthood too much and reviewed arrangements again

8% changed circumstances because they were working a full time job in part time hours, also a driver for the 4% that went back up to full time

- Moved to another company 22% Made redundant 6% Had another baby 19% Parental responsibilities 8% Promotion 5%
  - Reduced hours further 8%
  - Full time workload 8%
- $\bigcirc$  Not financially sustainable 7%

- Ill mental health 5%
- Demoted 4%
  - Went full time 4%
  - Arrangement revoked 4%

## Seniority

Keeping the same hours was most common in C-suite (29%) and entry-level (31%). Reduction in hours was consistent across most levels. The lowest was managers (66%), with commentary suggesting a higher proportion of denied flexible working requests and explaining the higher number of exits at this level.

	Increase your hours	Keep the same hours	Reduce your number of hours		
C-Suite	0%	29%	71%		
Director	7%	20%	73%		
Department Head	3%	27%	70%		
Manager	9%	26%	66%		
Team leader / Assistant Manager	11%	14%	75%		
Individual contributor	1%	26%	74%		
Entry level	1%	31%	68%		
Freelance	0%	27%	73%		

### After your first maternity leave, did you:

"Childcare for 2 kids was costly and I wanted to work on my own terms so I started contracting. This meant I earned more, but I also worked insane hours and still do. But it is on my own terms""

5% of women started freelancing after having their first child. The commentary suggested that for many this was viewed as the only real option for mothers being able to choose their hours.

Additionally 73% of all freelancers reduced their hours after their first child.



## **Non-returners**

After giving birth to their first child, 11% of women opted to become a stay-at-home mum. Of those, 72% were still doing this after 3 years. 5% who initially chose to stay at home returned to work within a year.

Perhaps unsurprisingly, the more children women have, the more likely they are to become a stay-at-home mum. The actions of this group were much more binary with 31% choosing to be a stay-at-home mum and 31% choosing to go back to the same job in the same company. Those returning to the same company seem to have found a flexible employer that supports them driving loyalty and longer service. The cost of childcare also influences the results.

28% of mums earning less than £12k chose to be a stay-at-home mum compared to just 5% of women earning more than £75k.

"I adopted my 2nd child and I was freelance so I took no maternity leave and just scaled back my work to fit round her, then scaled back up when she was ready for childcare." "The job that I kept have been incredibly flexible with my days and my childcare needs/arrangements. It has meant that I see it as a priority and will do my utmost to go out of my way to ensure that I am still able to give them everything I can. It is a long commute, but I wouldn't give it up as I feel like a valued team member.."

"Childcare for 2 kids was costly and I wanted to work on my own terms so I started contracting. This meant I earned more, but I also worked insane hours and still do. But it is on my own terms."

Of the 19% that didn't return to work after having children, respondents frequently cited reasons for not going back including reorganisations, redundancies or being replaced by their maternity covers (often male and often child-free).

Women that chose not to return to their job or to become a stay-at-home mum went freelance (5%) or started their own business (3%). Women who went freelance (29%) or started a business (45%) did so for longer than 3 years adding surety to the theory that these work patterns afford mothers the great flexibility.



### **Diversity**

In Wales (67%) and Northern Ireland (83%) women were most successful at returning to the same job in the same company (56% nationally). This happened least in Scotland (45%), mid-England (49%) and West England (50%).

18% of mums went back to a different job in the same company in London and Scotland compared with 15% nationally. This was less common in the West (4%) and Wales (8%).

Women were mostly likely to choose to be stay-at-home mums in Scotland (18%) where 61% earn less than £36k pa, South England (12%) where 59% earn less than £36k pa and Mid-England (13%) where 65% earn less than £36k pa. The national average was 11%.

Women in Scotland (9%) and the West (12%) were most likely to start their own businesses and freelancing was most common in mid-England (10% compared with 5% nationally).

Women were most likely to return to work on a part time basis in Scotland (74%), West England (73%), East England (70%) and Wales (70%). It is least common in London (60%) and the North (59%).

Job share data was minimal but most common in London (2%) compared with the national average of 1%.



47% of Asian and British Asian respondents returned to the same job in the same company whilst a slightly higher than average number chose to be a stayat-home mum (13% versus the group average of 11%). In mixed ethnic groups, just 22% of women returned to the same role in the same company and 39% went back to a different job in the same company.

Of the black women that responded, 100% of women returned to the same company, 86% in the same role, though it should be noted that this was a small group of respondents.



## Disability

54% of women with a disability went back to the same job in the same company. 15% chose to return to a different job and 11% chose to be stay at home mums, consistent with the results of non-disabled respondents.

### **Case studies**

"Rather than return to my old job in London, I took a job locally (and a 50% pay cut) which was the same role but in a regional firm. I worked four days per week (instead of five) but in reality I was working five (or more) but pulling in the hours after my daughter went to bed. After one year I was denied a promotion for a job which I was already doing in practise. Three men were instead promoted. The job was unforgiving, intense and allconsuming. I had a breakdown and resigned, leaving behind a 15 year career in law which I had worked so hard for. But I knew I couldn't carry on like that for the sake of my health and my family." "I wanted out of my job, but also wanted more kids so I rushed the second baby to get that out of the way so I could progress in my career after Mat leave 2."

up with work, home and being a mum. I was on the brink of complete collapse through burn out and verging a mental breakdown from the pressure."

"It was impossible to keep

"I wanted to have some weekday-time with my young baby still and it was common for women to work 4day weeks so I felt I could ask for it. In the end they got a 20% reduction in my cost for basically the same output, so obviously a win for them!"

"I wanted to have a work life balance - I didn't want to put my daughter into nursery 5 days a week, and I was fortunate that my partner and I could afford for me to work part time. I wanted to spend time with my daughter and I enjoyed doing that on the two days I didn't work. It was a good balance". "I was effectively demoted when I returned to work, they kept on the person covering my maternity leave who took my job. This was really demoralising. I was struggling to afford childcare on my salary (20k per annum) and was told to get a nanny so I could continue my career. I needed a pay rise not live in help! So I left and found a job closer to home (15 minutes rather an an hour away) this gave me a substantial pay rise (£15k increase) and a shorter commute so I could help with childcare drop offs and pick ups. No nanny required!"

## Learnings

### What's happening?

There are too many barriers preventing women from working full time, if at all, which is why only 12% do it successfully in the first few years of their children's lives. The more children a woman has, the more difficult it becomes.

Remote working helps keep women in employment, particularly as they have more children, though this is often only afforded to those in senior positions, suggesting it is still viewed as "a perk". It also suggests a lack of trust between employer and employee and that businesses still haven't perfected the art of building cultures remotely or managing people effectively, despite us being two years on from the pandemic.

Women return to work most successfully when they go back part time to their original role. They stay longer and are more engaged. 66% of businesses agree to this, though not as often for managers. In some cases, flexible arrangements are revoked at a later date due to a change of management or policy.

Re-structures are blamed for making so many mothers redundant, but the commentary suggests that is actually down to flexible working arrangements not being liked or respected.

Some women are leaving employment behind entirely, instead choosing to freelance or start their own business to afford them the flexibility they need. But that brings with it a whole new range of issues including lack of financial security and other benefits such as sick pay.

11% of women choose to become stay-at-home mothers, though their motivations are mixed. Our results show that just 2% actually want to be a stay-at-home mum, the remainder are often forced to because it isn't financially viable to work and pay for childcare.

"The cost of childcare would have exceeded my income from the same hours worked so it was uneconomical for me to return to work." "I had employed a nanny to look after my two kids. Despite earning a decent wage as an IT contractor, it was much less than before and barely covered the nanny's wages and NI etc. When my son started to become aware of his disability and ask questions (he was only 4 so this was earlier than anticipated), I felt the need to be the one there to answer his questions and support him. This meant returning to be a full time SAHM. As a career-minded woman, I was once again upset to leave the workforce. Had I had the option of a part time contract, I feel that would have been a better option for me and my family. Financially we struggled on one income. Despite this, I felt the need for a creative outlet and signed up for a part time masters course in web technology, to be completed over 2 years."

### What's causing it?

Despite the pandemic, many businesses failed to successfully implement flexible working. In order to be effective and respected, it requires all employees to have the same access and for the supporting tools and technology to be in place, which is frequently not the case.

When offered just to mothers it creates a divide between people and becomes harder for a manager to manage. Both parties end up unhappy with the arrangements and the mother then becomes a target during cost cutting exercises and re-structures.

It also perpetuates the poor culture and attitude towards part time and remote working which has long prevailed in many businesses. Part time workers often aren't treated with the same respect or given access to the same pay increases and career development opportunities.

It is well documented that mothers have a confidence dip when returning to work, which is much worse where return-to-work conversations have been difficult and they have had to fight hard for their flexible working arrangement.

Ultimately this lack of support leaves women feeling ostracised and they often give up the fight and leave or become disengaged, making it less likely that their careers will flourish.

#### What's the impact?

Losing middle managers is one of the most significant contributors to gender pay divergence and lack of women in senior leadership positions. Failure to nurture female managers means women aren't breaking through.

Marking mothers out as different to the rest of the organisation creates a two-tier culture that often leads to them feeling second rate. They disconnect from the organisation and often end up leaving. This is costly for businesses, who will have invested time and money in these women before they had children.

> Women are dissatisfied and frustrated as they have had to sacrifice their careers. Many are driven to have another baby sooner than they would have which can be more intense and also expensive, particularly in the early years when childcare is not funded.

"The cost of childcare was the most important factor when decided it would be better to leave my job. In addition, the stress of trying to 'do it all' played a huge part. My mental health has suffered incredibly. The stress of our financial situation plus mum guilt has been crippling. If childcare was more affordable I would not have had to quit the career I loved." Families are being divided as parents work opposite hours to make ends meet. Children are spending longer in childcare facilities such as after school care.

Most important to highlight, is the impact on women's mental health. Pressure and expectation is leading to depression, anxiety and even breakdowns. This impacts not just the woman in question but her family.

It isn't acceptable and must be addressed.

### How do we fix it?

If businesses are serious about keeping women, which they should be, they need to be compassionate toward them at this time of their lives.

Flexible working is the single most helpful tool for parents, though there are plenty of others. In an ideal world, the whole organisation works flexibly thereby removing any divides between parents and non-parents. It has many welldocumented benefits including reduced sickness, higher employee engagement, better talent attraction and retention, and better productivity levels. Ultimately, it saves businesses money.

The 4-day week trial currently underway in the UK shows many positive results and is a good reference point for businesses wanting to know more.<sup>6</sup>

"After paying for child care I took home less than £100 per month. My children were constantly poorly for the few months I went back, meaning I needed to take time off to look after them and that caused a lot of stress."

"Childcare for 2 kids was costly and I wanted to work on my own terms so I started contracting. This meant I earned more, but I also worked insane hours and still do. But it is on my own terms"

"I actually got made redundant 1 month after returning to work! The department restructured and my part-time role "fell away" and was replaced with a fulltime role. So I took redundancy. Important to mention that my role was the only role in the department impacted by the restructure " Businesses need to...

- Embrace flexible working implementing tools and technology to enable it
- Transition to output-based performance assessment
- Remove all traces of presenteeism
- Hire in a location-agnostic way from new sources (such as That Works For Me!)
- Respond to flexible working requests with a "how can we make this work" attitude
- Learn more about job shares and how to make them work, especially for managers
- Adjust workloads according to hours
- Support employees with childcare schemes such as <u>Bubble</u> <u>Childcare</u>
- Offer additional support and coaching for women returning from maternity
- Set up parental peer groups to encourage connectedness with people in similar situations
- Use more mum freelancers and offer longer contracts
- Measure and prioritise employee happiness you will only benefit

For more tailored advice, <u>get in touch</u>



# **Expert insight**

"At several points while reading this report I had tears in my eyes, a lump in my throat and a level of compassion for these families that threatened to burst out of my body.

At Flexpo we are incredibly privileged to get to work with the UK's most progressive and inclusive employers and this vital research highlights how much work there is still to do and how much positive action there is still to take to ensure that every employer has access to the resources and skills needed to change cultures – which all the evidence shows benefits business as much as it does a workforce.

With the power of this data and the understanding it gives us, we can identify the simple measures that will make the most positive difference to the employee experience during the post-maternity phase of an individual's career.

Employers that are doing this right by implementing smart, cost-effective initiatives and leading with humanity and empathy are not only able to secure and nurture the best talent, but so often we find they are also generous in sharing their story of change to a more inclusive culture.

The case for the need to take positive action is clear, and the learning opportunities are out there in abundance for people leaders at the start of this path."

### Ursula Tavender, Joint CEO, Flexpo





# Part 3: Career progress



### **Career progression**

Gender inequality in leadership is widely documented and numerous initiatives have launched to try and fix this issue. The Financial Conduct Authority recently issued a directive to the financial services industry stating that they need to increase diversity in company boards and executive committees.<sup>13</sup>

When comparing the level women reached before having children to the level they are at now, there were notable differences, largely regressions, across most levels. There are 32% fewer department heads, managers and team leaders.

Looking at the type of job women hold now, there were significantly more entry level roles, which, from the same pool of recipients, suggests that women are being forced to re-enter the world of work at a more junior level. There were double the number of freelancers.

There were increases at C-Suite and Director levels, which is encouraging. These levels seemingly offer more homeworking and reduced hours (see previous section) which could be an explanation. It should be noted that "now" means different things to different respondents, in that some could have had children recently and some many years ago.



Team leader / Assistant Manager Individual contributor (e.g. Analyst,.. Entry level (e.g. Administration / Clerical) Freelance

""It has been an incredibly upsetting decision to have to make to leave the career that I have trained for since I was a child. In my whole life I have never not been a musician until September last year. I have had to come to terms with this even as part of my identity and mental health".

"My work is rather flexible and sometimes I can organise around my child's needs, but not always. However, my work requires long hours to keep up with the targets and I cannot longer do that. This has impacted my chances of promotion."

THAT WORKS FOR Me.®

## Loss of promotions

Numerous qualitative references were made to the loss of potential promotions whilst on maternity leave or shortly after returning. Many references were made to women being on maternity leave during key re-structures. In some cases they only affected the woman in question.

Most frequently appearing through the commentary were references to be replaced by maternity cover. Some comments alluded to not wanting to hire a maternity cover because they had seen this happen so often before.

Saddest of all were the women who have had to totally abandon the career they worked so hard to establish themselves in. "Upon returning to work I was told that the department had been restructured. There had been no consultation what so ever. I was offered a new role on day one with lots of additional responsibilities and no more money. I was also demoted as a line manager and project lead."

> "While I was off, the guy I trained as m assistant was promoted to my manager."

"I applied for a promotion during my maternity leave for which I met all essential criteria. I was not shortlisted for interview despite being less than 4 weeks from returning to work at 9 months PP. When asked for feedback was told that I had not done enough to prioritize work during last 12 months."

"We had childcare challenges and the business was changing. I got a new manager who was not an experienced leader (and who I had previously been senior to). It was extremely challenging to develop my career during this time." "I had been on 1-yr contracts which were becoming really stressful with family commitments. I was then knocked back for promotion with the two senior male decision makers telling me my two maternity leaves made me less competitive than others. Colleagues would comment on my parenting commitments impacting on my work and calling me part-timer as I arrived after doing the school run, when I in reality I had greater output than they did and worked all my hours (started late and finished later). I stayed for a couple of years but had no motivation left and decided to leave as soon as my contract ran out whether I had a job to go to or not."

> "I went back after my 2nd child after just 3 months it was so hard. I felt so guilty. So we re-evaluated everything. Cut back on everything and I got 2 part time evening jobs as a cleaner and working in a bar."

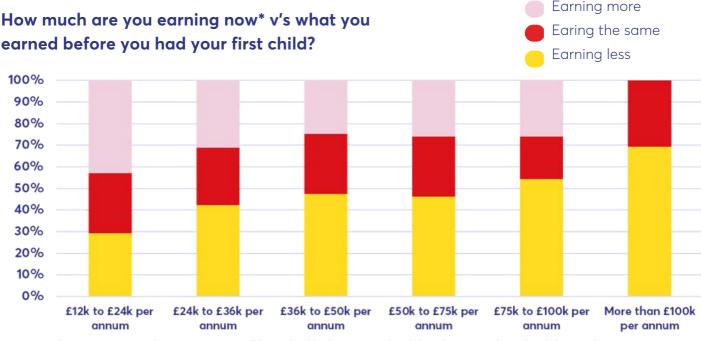
## Loss of earnings

44% of women are earning less now than they were before they had children and 30% are earning the same. That means that just 26% of women are earning more than they were before they had children.

That number is even higher in the higher earning brackets where 62% of women that were previously earning more than £75k are earning less than that now. Only those earning less than £24k are earning more, possibly due to the increase in minimum wage.

The more the mother was earning prior to having children, the less likely she is to be earning more or the same since having children. The exception to this is those earning £12-24k per annum, 80% of whom had less than 10 years in their career.

Some of the difference will be accounted for in the reduction of hours worked.



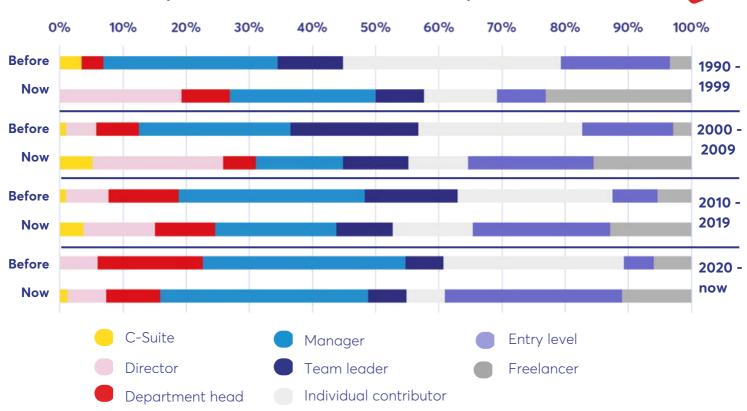
\* Note that 'now' is varied, some women will have had babies recently while others may have had them a long time ago so the true picture will be even worse.

Another stand-out message from the commentary is around the significant pay cut experienced when hours are reduced despite keeping the same responsibilities. In many instances, women have felt that they have had to take a lower-paid and often lower-grade role to accommodate their flexible working arrangement or reduce the stress of balancing work and motherhood.

"The company I worked for got bought by a big corporate and I was made redundant. I then accepted a lower paid position which had nothing to do with my previous role. I accepted it because it offered flexibility and working from home."

"Current organisation very flexible. But have accepted lower grade/pay to accommodate."

## **Changes over time**



### What level were you at before children vs what level are you at now?

There were 15-20% more department heads and directors amongst those women that had their children more than 13 years ago and just a 1% drop off in women that had their last child before 2020, hopefully, an indication of businesses better able to support their senior managers. This is supported by the evidence that 70% of women at this level were able to reduce their hours, which adds to the likelihood that flexible working is being viewed as a perk.

The chart suggests that it takes 10 to 20 years post-children for women to reach positions more senior (at team leader and above) than those they were in prior to having children. The exception is women who have had children very recently, though this is likely to be because they are still on maternity leave.

In the women that have had children in the last 20 years, there is a 44% increase in admin and entry-level roles after having children supporting commentary that says women feel forced into more junior roles as a result of their inability to work full time hours.



### **Diversity**

## Geography

In East England, South England, London and mid-England there was an increase in respondents at C-Suite, Director and Freelance level suggesting that those areas did better at promoting mothers. Scotland, Wales and the West reported demotions across the board.

Mid-England (27%), London (22%), North England (20%) and South England (20%) all saw the largest drop in earnings between £12k and £75k from before having children to now. East England (12%) and Scotland (13%) saw the least, interesting given that Scotland also saw the most demotions. That said, the sample size is small.

### Race

Women of Asian or British Asian ethnicity are earning less than they were pre-children. 84% were earning between £12k and £75k before having children and 63% earn the same amount now. 13% chose to be stay-at-home mums (compared with 11% overall) and 13% went freelance after having their first child, higher than the group norm of 5%.

More black women are earning a greater amount now and they have all moved away from their original roles. All respondents chose to go back to work in the same company, however the sample size was very small.

There was the biggest drop in earnings for mixed or multiple ethnicities. 95% earned between £12k and £75k per annum prior to having children, but 86% do now. More women in this community chose to be stay-at-home mums after their first child (28%) compared with the overall norm of 11%, which may be driving the drop in income. None of them chose to freelance.

## **Disability**

There were no stand out differences to the wider group of respondents in terms of salary and level and little movement with level from before children (40% manager and above) and after having children (43% manager and above).

### **Case studies**

"My then manager, on the day of my maternity leave showered me with praise, then said If I had known I would get pregnant he would not have hired me.

[I came] back to a reorg where I had no input and my role given to someone else. I was not going to accept that and wanted to take back control without losing my legal right to flexible working. I moved to another manager in the same company. A sideways move. If I moved I another company I had no legal right to flexible working" "The promotion promised before maternity leave suddenly disappeared. I returned to a bigger role, without the title or salary!"

"Yes, working flexibly has enabled me to keep my career going at a level I had worked hard to achieve. However, had I not have had children, my career would have progressed further." "Current employer is flexible. Good work life balance. Underpaid for what I do. Felt I had to step back career wise to get the work life balance I needed."

"It's f\*ing hard if you have left a successful career for a year as you have to almost start over to earn that respect again and prove yourself as capable. I feel I work 10 times harder than my male colleagues yet I'm paid less. I work in the tech industry which is very male dominated (which I have no issue with, my issue is to be paid less than my peers purely because I'm a woman!)" "The only positive experience I have had was after I left my corporate employment and decided to go freelance. The corporate system was completely inflexible, now I have the flexibility to choose when and how long I work around my kids, albeit on a 90% pay cut."



## Learnings

### What's happening?

Women's jobs are not being protected and are often taken by their maternity covers. It has been well documented that women return from maternity leave with low confidence and are then over-looked for promotions and excluded from training opportunities.

61% of women are in people management roles before having children compared with just 53% now and that includes those women who had their children 20 years ago and have worked their way back up. On average it's taking 10 to 20 years for women to catch up again.

74% of them are earning the same or less than what they earned before they had children. Of course some of this will be due to part time hours, but not all of it.

Some are forced into freelancing. For some it's a great choice but 45% of women who are freelancing are earning less than they were before they had children and running your own business isn't for everyone

### What's causing it?

Roles are not being protected as legally they are not required to be if a woman takes more than 6 months maternity leave, which 84% do. If a business claims the woman cannot return to their original role, a suitable alternative role satisfies the legal requirement.

Some managers can have short memories and forget what the mother was like to work with, their loyalty is often with the person doing the job at that time. If flexible working is not common practice in the organisation, then the returning woman becomes a more difficult option and its perceived that it's easier to keep their maternity cover. As there is rarely forward thinking about what will happen to the hired maternity cover once the woman returns, this happens more frequently than it should.

When women are returning to businesses, their development is often overlooked. It is assumed that they don't want to progress as they have other priorities.

Finally, there is the issue of presenteeism. People will believe what they can see. If that's a person working in front of them, they know they are working. If a woman is working remotely, they are not seen and psychologically, the manager may subconsciously believe that the person they can see is working harder. This is another reason flexible working works best when everyone has access to it.



### What's the impact?

Women are frustrated. Their careers are not progressing and they are being paid less for often the same effort.

Senior women are taking less maternity leave to protect their role and are then feeling more guilt at not being at home. For everyone else, they are returning to similar or more junior roles and then stagnating for up to 20 years, which is how long it's taking women's careers to recover.

Women's mental health is suffering, as is their self-esteem. They are lacking confidence and work doubly as hard in fewer hours to make up for their perceived lesser contribution. Then they are burning out.

Few make it through to leadership meaning they end up being paid even less and there are fewer role models for younger women in the organisation to look up to. All leaders end up being male and 40+, which is how we end up with such a small number of CEO's and Directors in FTSE250 companies.<sup>1</sup>

Women are taking lower-paid, lesser-skilled jobs and having to start all over again. This continual hitting of reset means loss of flexible working rights, although this has recently changed.

Alternatively, they choose to freelance, which is the clearest indicator of businesses actually losing skills. Skills that they likely will have paid for that woman to acquire.

"I feel forced to work freelance. The flexibility is great because I can do the school runs and be there for the little 'big' things like school plays etc...the downside is I don't earn a lot." "I worked 4 days (technically but worked longer hours mon-fri and worked on my day off, as well as every Sunday night!) I ended up having a nervous breakdown due to undiagnosed PND & the stress of work & the impact it was having on me & my family as it was relentless and I was desperately trying to prove my worth every day"

### How do we fix it?

Businesses that are truly focused on fixing their gender pay gaps and leadership inequality focus succession plans and talent development on women in their business and are able to offer flexibility.

However, even in those businesses where there is desire to become more accommodating, ultimately the line manager determines the outcome causing the most well meaning businesses to fail mothers when it comes to career progression. Training for line managers is an absolute imperative, and businesses should consider reinforcing previous training at the point a team member communicates their pregnancy.

"My manager and team have been supportive of my reduced hours and flexible around my working hours and where I work (home/office). My main challenge from a work perspective has been wider attitudes in the business towards part time working and my need to leave the office 'on time' for childcare. In summary, stakeholders/directors/managers still expecting a full time output and availability despite part time hours, and beliefs that reducing my hours and having strict finish times means that I care less about my career or am less committed - are wrong. This is more an undercurrent of subtle remarks and attitudes generally."

"Initially I was refused flexible working but changed roles to a more supportive line manager. Flexible working has been positive for me and for my employer as I'm more productive, happier and more engaged. However I don't think there's enough support for flexible working and especially for job sharing which is often perceived as harder to manage. Most managers with experience of job sharers report positive experiences."

Businesses need to:

- Complete succession planning in total ignorance of working patterns
- Positively discriminate for talent development and training programmes
- Hold career planning discussions soon after the mothers return to the business
- Coach women returners to help re-build confidence
- Plan ahead for the return from maternity leave by collating positivity files for that individual to remind you both why they're great
- Plan ahead for maternity covers by making sure they have somewhere to move on to
- Preserve mother's roles during re-structures
- Equalise views of part time and full time removing negative language
- We've said it before and we'll say it again....flexible working for everyone!

For more tailored advice, get in touch



# **Expert insight**

I was working with a colleague I like very much last week, arranging a fast approaching workshop in Vienna. It was starting to look as if the date may have to change. When I checked my diary, he laughed and said, "Why do women always need certainty?"

I said, 'Because I have two kids and I need to sort childcare.'

He got it, but it wasn't in the air he breathed naturally.

That conversation is an illustration of how we automatically think of work. It's not just men; we all have a mental model of how to behave to fit in and that's what the findings highlight. How difficult that autopilot mental model is for working mothers.

We have a mindset issue: the world of work as originally designed can't cater for working parents. Looking at the framework we've accepted for so long we can now see that this mental model is outdated and needs a reset.

Our mindset is inherited from the industrial age where attitudes formed for the behavioural patterns needed in factories. Workplaces today face very different challenges and they are full of talented women, many of whom are mothers. Workplace attitudes must change. If we're going to assume that leaders have to be full-time and present full-time in the office (the industrial-age mental model), then we are going to miss out on a vast amount of female talent.

This means we need a different 'operating system' for the world of work. We must construct a system that doesn't disadvantage people for having children, that pays people a fair salary, and gives everyone the same chance of success.

### 1. Experiment with different work patterns

Resistance to alternative ways of working, needs to change. Today the war for talent is fierce. One way to attract more talent is to alter the approach, from seeing working mums as a risk to seeing them as an opportunity. If so many are starting their own business, don't let that entrepreneurial spirit walk away, imagine the gain of keeping it in-house.

Why not try out alternative flexible working environments? If working 9-5 is one way of working, what else could be in your portfolio?

Why didn't the research discover more job shares? Probably because they are still considered as something new, talked about in the business press, but perhaps needing to be tested fully in practice. So test it. Try and establish what makes a job share work and what the benefits can be.

Organisations that get this right will be better equipped to compete in the modern marketplace. Creating working patterns that appeal to more people is an opportunity to differentiate your business in the current war for talent.

### 2. Change attitudes through role models

Our brains work to a template of preset and subconscious stories that we don't ever get time to unpick. One such preset bias is that full-time work patterns are best. But this is just a bias not a fact - research and data don't support that. In fact, research repeatedly shows part-time workers tend to work harder than full-time workers, often overworking becomes a risk. Despite the 'social experiment' that the pandemic gave us to prove the case for working from home, those dated attitudes are still bubbling beneath the surface.

We need policies to make attitudes to home working fair, and role models to help with this adjustment.

There are other ways that senior men can eliminate the stigma attached to being a working mother or carer. The findings showed that 75% of mothers say shared leave "wasn't even discussed" with their partners. Here is another opportunity to change norms. If you are a senior male leader, ensuring you take shared leave helps set a precedent. So do it loudly and see how you can help others.

Internal communications also play a big part in attitudes and in taking apart the old industrial age model of a leader. A CEO I worked with compiled a Day in the Life video for the company intranet, which showed he worked a 60-hour week. Think hard about the messages you send out and what they say to mums who can't do that - and to the people who manage them. Be careful about reinforcing unhelpful attitudes you don't want in your business.

### 3. Children are tough work!

The last thing I want to say is that bringing up kids is hard; we need to create space for that job. The findings highlighted many references to postnatal depression and other mental health disorders emerging due to trying to balance the pressures of a new baby and a job. So many responses talk about the psychological and physical burden of raising children, the financial weight of childcare, and balancing a job with being a parent.

Organisations are responsible for making maternity leave / parental leave as supportive as possible. It's a hugely emotional time for parents, so don't ignore that; make adjustments. Have empathetic keeping-it-touch policies and ensure managers know how to support people. Help managers with questions like:

- What do you do for women on maternity leave?
- What communication do they want?
- Can you agree on timelines for "return to work" conversations that you are both happy with?

The UK is full of incredibly skilled, talented, hard-working women with caring roles. Let's help them be an equal part of the workforce. Let's recognise that equality and pay them the same, but let's also help them bring up families.

### Sandia Bakowski, Business Psychologist and Director Making Change Happen

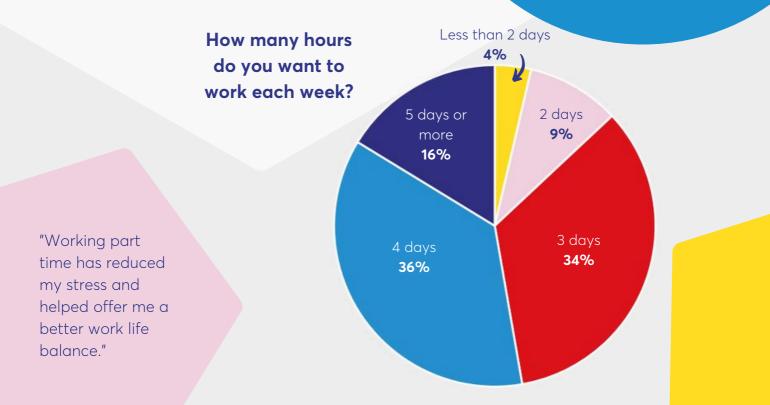
# Part 4: What mothers actually want



## Hours

98% of respondents indicated that they would like to be working. The majority of mums (52%) want to work 4 or 5 days a week. A further 34% want to work 3 days.

However many women aren't working the hours they want to. There is a real disparity between those working 5 days or more per week actually wanting to work 3 or 4 days. "I have had 6 children in total over a 22 year period. I have never ever once been able to return to the same job. I've been made redundant 3 times and forced into other roles 2 times and most recently, despite being told otherwise, had my FTC unexpectedly end when I notified them I'd be returning. I've always found another good role but it's also hard settling into a new role & business with 6/9 month old baby."



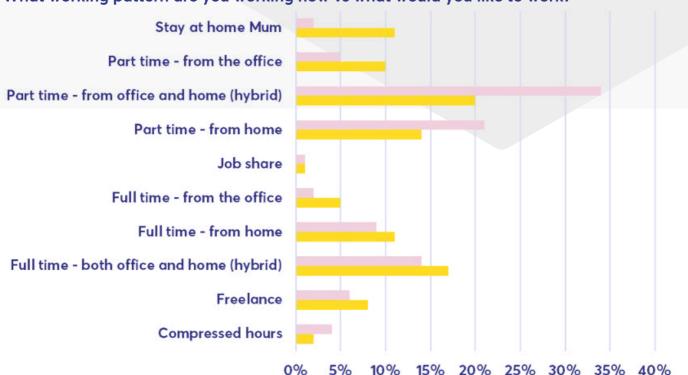
	How many hours do you work now each week?	How many hours do you want to work each week?
Less than 2 days	7%	4%
2 days per week	11%	9%
3 days per week	22%	34%
4 days per week	25%	36%
5 days or more	35%	16%

## Working pattern

Many mothers are unhappy with their working pattern. 34% would prefer to work part time in a hybrid way (from the office and home) and 21% would like to work part time from home entirely. Just 14% do.

More women want to work part time (44% do, 60% want to), though not from the office completely, only 5% would choose to do this and 10% do it currently. More women would choose compressed hours.

Perhaps the most notable is the number of stay at home mothers (2%) who would actually prefer to be working (98%) and the number of freelancers who would prefer not to be (note that this differs from the number in the previous section as it is "now" rather than immediately after having babies).



What working pattern are you working now vs what would you like to work?

If you could choose, what working pattern would you most like to work?Which working pattern best describes that which you now work?

"I'm now looking after my grandchild and work have allowed me the flexibility to do this every Thursday."

## Diversity

### Geography

In all locations, the most popular work pattern was 4 days a week, the exceptions being for women in London (38%), Scotland (40%), Wales (40%) and the West (38%) who were most likely to want to work full time at 5 days and above. There was far less appetite to work 2 days, 0% in Wales and Scotland.

Race

The most popular response for all ethnicity groups is to work part time in a hybrid matter (34%), though this was lower for women identifying as Asian (19%). Their preference was to work part time from home (26%) or full time from home (19%) or in a hybrid way (19%). Black women were most in favour of working full time from home or in a hybrid way (86%) and mixed race women most wanted to work part time from home or in a hybrid way (57%).

White and Asian women were most likely to want to work 2 days a week though still only 4%. 100% of black respondents want to work 4 days a week.

## Disability

Mothers with a disability mostly wanted to work 3 days a week (40%), there were otherwise no notable differences.



## Learnings

It used to be that women married and had babies and immediately stopped working. But this is no longer the case in 2023.

In fact 98% of mothers want to work. And 86% want to work 3 to 5 days, in a hybrid way.

They want career development. They want to be paid fairly. They want to feel included. They want to feel good about themselves and like they are doing a good job in their career and at home.

They want to be equal and continue on the trajectory they were on before having children just like men do. Doing this in a supportive business enables them to be the parent they want to be and to be professionally fulfilled.

There is more willingness to work from the office where a part time arrangement is in place we see this on That Works For Me where there is an 85% uplift in applications where remote working and part time hours are offered.

### What's the impact?

Women are unhappy with their working hours and locations. At best this results in suboptimal performance. At worst, women will leave their jobs . Not meeting these needs is causing businesses to lose skills that they have invested in.

We hear so often how well working mums contribute to the companies they work for and how much harder they work than other members of staff. This is leading to burnout.

This is further justification as to why businesses would benefit from being more flexible using tools such as 4-day weeks, compressed hours (5 days reduced to less) or core hours (being available 10-12 and 1-3 for example).

Where businesses are getting it right, we hear about it. Women stay for longer, work harder and rarely leave.

"It's draining. I have no days off without the children. I feel guilt for working, for not being able to do the school run etc." "My job(s) now are flexible. it has taken 10 years to find these roles and I am still only entry level. I do feel cheated out of a career for trying to be the best mum I can be...there always seems to be a sacrifice....!"

#### How do we fix it?

Businesses that are rigid in their thinking and cannot adapt to what women need will not retain this talent. Children's needs haven't changed and won't, so neither will mothers. Businesses need to find a solution that works to keep women working with them.

This data is most interesting for businesses looking at how to think about maternity leave and how to structure roles when women return. There is more willingness to work from the office where a part time arrangement is in place.

Job share arrangements have proven to be hugely successful when executed well. Job sharing brings two brains, twice the experience and twice as much upskilling.

> "My business trusts me to do what I need to in order to reach our shared goals. This trust means that I work as and when I need to around my family and drives commitment from me."

"I can now drop off and pick up my kids each day, so feel much more committed to my job. I don't feel like I am compromising and work longer hours into the evening."

"Being able to return to work 2 days per week kept me in the workforce and with my company for a further 4 years." "I'm definitely treated less favourably since and me having a "20% reduction in my working week" is frequently raised whenever any timescales slip. I think about resigning daily and I struggle with my mental health ever since returning."

To successfully hold on to mums, businesses need...

- A supportive and respectful culture where all contributions are equal
- Smart thinking about how teams interact, for example only meeting up in person with purpose
- Policies and processes that can be adapted to individual needs
- Review of role structures to be more inclusive of individual needs
- To regularly review productivity in different work arrangements
- To focus on outcomes rather than time
- Peer reviews of mothers pay and career development against the wider business
- Career paths that people understand and can follow
- And we'll say it one more time for those at the back....flexible working



# **Expert insight**

"Neuroscience tells us that broadly what people need to be happy and engaged employees is consistent across everyone. We use a neuroscience model that distils this down to 8 key neuroscience areas. It is important to remember, though, that the relative importance of these will change by individual and over time.

Our data and experience (not to mention this research!) shows that safety and trust are some of the most important neuroscience themes for mothers. Feeling safe in the workplace is really important both for the individual and for your business. When people don't feel safe their amygdala is fired up, triggering their fight or flight response. This takes over almost all brain functionality, leaving them less able to perform to their full potential.

Creating a sense of trust is so important when creating an inclusive environment. Not only do mothers within your team need to trust that your business is dedicated to them and their careers. But you also need to be able to trust them to perform their function, and be open and honest with you about what they need to do this. On a personal level, I know I wouldn't have been as successful as both a mother and HR professional if I didn't have trust from everyone I work with that I can still get my job done.

When considering what mothers want, you want to consider the individuals within your organisation rather than trying to create a blanket solution. Flexibility is, as always, key. Motherhood looks different for everyone - people have a variety of different paths to motherhood, family set ups, and cultural and care responsibilities. Creating flexible policies means that your organisation can ensure that every mother feels that they're able thrive at work."

### Gemma Shambler, Head of People, The Happiness Index



# The impact of having children



## What does all mean?

This report has felt heavy, sad and negative at times as so many women have experienced difficulties balancing their career with their family. So many women have yet to find a family-friendly employer that offers them flexibility. The ones that have though, really stand out. They are happy, engaged, loyal and positive. They talk about staying with that business for the long term and contributing more of themselves.

The UK has been talking about gender pay gaps and leadership inequality for a long time. In recent years there has been a surge of activity in relation to diversity in recognition of this. The pandemic enabled remote working for most office-based organisations. And flexible working has been a subject discussed by every business in some form or another.

The context for change is here, now. So why is it that so many mothers are still unable to work in a way that works for them?

### What's happening?

84% of women took more than 6 months maternity leave. 40 of the 848 respondents were made redundant whilst on maternity leave. Just 7% of couples shared parental leave and less than 25% even discussed the possibility of sharing leave.

11% of women became stay-at-home mums after having a child. Only 2% of women admit to wanting to be stay-at-home mums.

85% of women leave the full time workforce within three years of having children. 19% leave the workforce altogether, most often because their work cannot offer any flexibility or they cannot afford childcare.

Of the 24% that attempted to go back to their pre-children full time hours, 57% left within two years due to redundancy (19%), ill mental health (11%) or because it wasn't sustainable (36%). For most mothers, it seems that working full time alongside having a family is not feasible or desirable.

Where women returned to the same company but to a different role, 79% remained in the business for less than two years. This was even higher in middle management roles (more than 80%), thought to be a huge contributing factor to the gender pay gap.

"How much harder it was to prove my worth once returned from Maternity leave. Constantly feeling as if I'm not working hard enough. Constantly chasing my tail to be good enough at both 'jobs' (mother & employee)."

"It was impossible to keep up with work, home and being a mum. I was on the brink of complete collapse through burn out and verging a mental breakdown from the pressure." 98% of mothers want to work. Given the choice, 86% of women would choose to work 3 days a week or more, rubbishing the sentiment that women don't want to come back to work after having children.

Very few women are currently working the arrangement they want to. 35% of women, for example, are forced to work 5 days a week when just 16% want to.

There are 32% fewer department heads, managers and team leaders after having children than there was before they had them, and a 44% increase in admin and entry level roles. Women are taking lower-skilled roles whilst their families are young and there is a huge exodus of female managers which is undoubtedly contributing to the lack of female leaders in businesses in general.

74% of women are earning less or the same as before they had children. It's taking 10-20 for their careers to recover where they get back to the same level of seniority or higher.

14% of women choose to become freelancers because it offers them the most flexibility but most are earning less than they did before they had children.

### What's causing it?

We are working to an out-dated model of work that does not align with society today. Parenting looks different to 100 years ago and mothers don't have the support they used to. Society has moved on and women now expect to be able to have children and have a career, as they are entitled to.

Progress has been made recently, thanks to the likes of Pregnant Then Screwed. Flexible working requests can now be made from day one and shared parental leave is available to everyone. But these alone are not driving significant change.

There is a lack of role models, both male and female, limiting the belief that work and family can happily co-exist. Society needs to be better at helping people understand how to achieve this balance and businesses need to enable it if we are to achieve equality.

Many office cultures continue to reinforce out-dated thinking and sometimes even

unknowingly through processes and policies. It doesn't advantage everyone to adapt to the ways of working we outline in this report so they perpetuate old ways of working through language and messaging, completely ignoring all the positives associated with current thinking around engagement and diversity. Unhelpful but prolific middle-aged men demanding people "get back to the office" (that's you Jacob Rees-Mogg, Alan Sugar and Elon Musk) are damaging to this cause and set us back every time they are promoted.

I put pressure on myself to return. I hadn't wanted to hire a maternity cover in case I lost my role so I went back in under 5 months. It was a mistake. I wasn't ready and my job, my baby and my mental health suffered as a result." Antiquated views of fathers also hinder progress. Conversations about shared responsibilities need to happen at home as much as in the office. Children need to grow up seeing dads take leave and it needs to become the norm. We're still not used to seeing Dads at playgroups and they still feel judged in the playground. Not enough men are taking paternity leave or working part time. Many men don't want to stand out and be "the guy that took time off to be with his kids".

We need to equalise the role of parents from day one from not shutting Dads out of maternity wards to having them participate equally throughout their childrens' lives. We need to talk to parents, not mothers, throughout nursery and school.

This isn't just about women. Men are needed as allies if parity is to be achieved. There are some amazing figureheads making progress in this space - Elliott Rae, Han-Son Lee, Lewis Goodall and Ian Dinwiddy to name but a few.

### What's the impact?

Women aren't returning from leave successfully. We're allowing junior line managers to determine outcomes because of a lack of support and poor policies.

We're not doing the things that women need in order to stay in work and continue to progress. Mothers are earning too little contributing to family poverty, ever more pertinent in the face of the cost of living crisis. Women are sacrificing their mental health, and not being paid fairly in the process.

Mothers are unable to work and care for their families and it's causing stress and frustration. It's not just mothers, increasingly people are caring for elderly parents and grandparents are helping with childcare. People's priorities are conflicted.

Businesses can ease this conflict by offering flexibility, amongst other things. Keeping mothers in the workforce benefits not just businesses but the economy. It's the same with other protected characteristics. We know the value of diversity and how it improves everything about a business from customer acquisition through to profitability.<sup>16</sup> The good news is that the UK has seen a 58% increase in the number of diversity and inclusion (D&I) roles over the past five years and many of the top D&I roles are being created at senior level.<sup>15</sup>

But this belief needs to run through the whole organisation drive through change, which requires effort. New skills are needed to make change happen and many people find this threatening driven by their fear of not being what is needed for the future state.

Businesses cannot afford not to adapt. The pandemic caused people to re-prioritise their lives and showed them how life could be with less commuting and more time for themselves.

And now we are seeing the fallout in the form of the so-called talent war.



### What needs to change?

The treatment of mothers needs re-thinking in every nuance of society.

We need to educate women on their maternity rights when it comes to work, this should be part of the pregnancy process in the same way that immunisations and scans are.

We need to equalise the role of parents.

We need to talk publicly about the difficulties, the tiredness, the illness and the whole other full time job that children represent. Not talking in mum groups but in the office. In the news. We need to stop hiding our parental roles in a cupboard of shame lest we look unprofessional.

We need to showcase role models both in work and out. Parents in prominent positions need to talk about how they are making it work.

We need to remember that parenthood doesn't remove ten to fifteen years of work experience. We need to value the skills that parenthood brings to the table.

We need to stop recruiters screening mothers job applications blaming them being "out of the market" whilst on maternity leave.

We need to learn about job shares. We need to look at 4-day weeks. We need to stop issuing "3 days a week in the office" directives without looking at productivity and practice.

We need to update our work practice to adapt to all the people in our business, not the few. We need to remember to be inclusive and to keep in touch with our maternity mums. We need to talk to everyone in our team about what works. We need to listen, to respond and to communicate.

We need to support our mums. We need to give them confidence. We need to prioritise them, to value them and to remember them. We need to invest in their careers and help them balance work and life.

We need to remember that having children does not make us second class citizens, it makes us amazing.

"I can pick the kids up every day from school and take them when needed. I'm there for them and in a fulfilling challenging role for me."

"If my company had been flexible I would not have left and taken my skills with me." "Flexible working definitely suits the needs of our family. I am able to be at home to care for the children. This does come at the cost of sacrificing my own career goals and needs though. My husband still works full time."

### How do we fix it?

There is lots of practical advice throughout this report on what businesses can do but it needs a different mindset to really flow through the whole organisation. There needs to be the appetite to be more inclusive and the value of diversity needs to be recognised by everyone.

Cultural change is never easy. But it is vital to retaining not just working mums, but anyone that has challenges fitting a Monday to Friday 9 to 5 week. "Job shares including at very senior levels are now very common in the civil service and have made a huge difference to being able to have the career I want, as well as be the mother I want to be. Juggling it all can be challenging, and it is still harder to be promoted as a job share than as a individual, but the job share model allows me to do a big managerial role with real responsibility whilst still being able to spend more time with my children."

"It was impossible to keep up with work, home and being a mum. I was on the brink of complete collapse through burn out and verging a mental breakdown from the pressure."

"Initially I was refused flexible working but changed roles to a more supportive line manager. Flexible working has been positive for me and for my employer as I'm more productive, happier and more engaged. However I don't think there's enough support for flexible working and especially for job sharing which is often perceived as harder to manage. Most managers with experience of job sharers report positive experiences." Things businesses need to do:

- Design an organisation structure around the workforce and the type of people you want to employ
- Recognise the importance of employee happiness and build a culture that allows that to flourish
- Provide psychological safety for employees (this is the belief you won't be punished or humiliated for speaking up)
- Everyone is different. Have policies that allow for individual differences but don't rely solely on line managers' discretion
- Move away from time-based objectives and transition to outcome-based performance
- Take longer-term views of talent and contribution
- Remove bias from every process within the organisation from hiring to succession planning
- And one last time....implement flexible working for everyone.

You know what needs to be done, be brave and make the change, don't write it off as "difficult". If you need help you know where we are. Right <u>here</u>.

# **Expert insight**

It might surprise you to hear that I smiled throughout this report - because I've seen the future - and it's bright for women.

This fantastic report puts into clear terms the urgency of changing our entire perspective on work; I'm saying that both as a diversity and inclusion data specialist and a mother of three. I hope those organisations who've not grasped it are the ones this report will reach, not for the sake of female parents - they'll be fine - but for the sake of their businesses, which won't be.

As a diversity and inclusion data specialist I see data aligning with this report's findings every day; female parents are crying out to be able to use their talent in a way that works for them. Not only that but it's talent that our economy desperately needs.

What makes me smile is that I know what is going to happen - is already happening and it's great for these women. Every day in my role as founder of a diversity and inclusion business I have the privilege of seeing detailed data for hundreds of UK companies, as well as being firmly plugged into the female founder scene. What I see is the companies who get flexibility and inclusion are winning. Their talent retention stats tell the story; employees who are given ample flexibility are 4 times less likely to become a retention risk<sup>17</sup> and Gender diverse organisations are 35% more likely to outperform companies that are less diverse.<sup>14</sup>

Businesses who are blundering through this period of change, resolutely fixed on their own definitions of flexibility, regardless of what their talent wants, may think this female talent pool is going to waste. However data (and my own experience) says that female talent is done waiting around for businesses to catch on. It's starting up in competition and at a startling rate. The latest data from Enterprise Nation shows that over 145,000 all-female founded companies were created in 2021, a figure that is growing by more than a third each year. In total, over 20% of new firms are now led by women, a record high.<sup>18</sup>

Rest assured, these new female-led businesses are something to be feared - they are strong, resilient, highly competitive businesses and they are more likely to be funded than ever before. These aren't just one-woman bands working a side-hustle, they are spread across a range of industries and are growing fast.

The ScaleUp Institute's latest data shows that the number of scaleups that have crossed the £10.2m turnover threshold and have at least one female founder now stands at 261 - representing a 34.5% increase on the number since the 2020 Index.<sup>19</sup>

Their collective turnover is £14bn – over 41% greater compared to 2020 – and the total number of people employed by these businesses is 64,995. They have also attracted £5bn in investment.<sup>20</sup>



What's more, the demographic makeup of the female founder index is diverse Yes! They are competing for diverse talent that wants to work for a company that gets it.

So, what do organisations need to do off the back of this report?

We need a radically different view of what "work" and "professional" means today. We need to switch the running of our organisations to focus on outcomes rather than when and where we achieve them. And we need to afford all our employees the autonomy and trust to innovate inside of our businesses - rather than setting up in competition.

### Cat Wildman, Founder & CEO of Powered by Diversity



# Support

To seek Careers After Babies accreditation, contact Jessica Heagren at jess@thatworksforme.co.uk or visit our <u>accreditation page</u> at https://www.thatworksforme.co.uk/guides-andtools/careers-after-babies

To find talented mums seeking flexible work, visit <u>That</u> <u>Works For Me</u> at thatworksforme.co.uk/people

For mums looking for flexible and part time work, visit <u>That</u> <u>Works For Me</u> at thatworksforme.co.uk/work

For all enquiries related to this report, contact the author Jessica Heagren at jess@thatworksforme.co.uk



# **Referenced resources**

- That Works For Me <u>https://www.thatworksforme.co.uk/</u>
- ACAS https://www.acas.org.uk/
- Bubble <u>https://joinbubble.com/</u>
- Daddilife https://www.daddilife.com/
- FLEXPO <u>https://www.flexpo.co.uk/</u>
- Parents @ Work <u>https://www.parentsatwork.com/</u>
- Powered by Diversity <u>https://poweredbydiversity.org/</u>
- Pregnant Then Screwed <u>https://pregnantthenscrewed.com/</u>
- Shape Talent <u>https://www.shapetalent.com/</u>
- The Happiness Index <u>https://thehappinessindex.com/</u>
- The Job Share Pair <u>https://www.thejobsharepair.com/</u>
- The Talent Keeper Specialists <u>https://www.talentkeepers.co.uk/</u>

# Footnotes

- 1. Gender inequality beyond management just 4% of FTSE 250 companies have female CEOs and 11.6% have female executive directors <u>FTSE Women Leaders Final Report, Alexander-Hampton</u>
- 2. Gender pay gap of 14.9% <u>Office of National Statistics, Gender pay gap in the UK, 2021</u> and <u>ONS</u> <u>Employment and Labour market statistics, gender pay gap, 2021</u>
- 3.Loss of talented women from the workforce results in a missed opportunity of 10% GDP increase to the UK economy. <u>Maximising women's contribution to future economic growth, Women's Business Coucil</u>
- 4. Those that remain in the workforce are over-stressed and burnt out costing the economy an estimated £35bn per annum.- <u>Mental Health at Work: The Business Costs Ten Years On, Centre for Mental Health</u>
- 5. Excessive childcare costs are currently estimated to cost 44% of our income <u>National Childbirth Trust</u>, <u>average childcare costs report</u> and in the UK, funding is only available for childcare in the school term after a child reaches 3 and our childcare costs for a 2-year old in full time childcare are in the region of £14,000 per annum. The average UK salary is £31,772, meaning 44% of salary goes on childcare. <u>National Childbirth Trust</u>, <u>average childcare costs report</u>
- 6. The 4-day week trial is currently running successfully in the UK with 76% of companies stating that they're likely to make it a permanent change in their business. 95% of companies taking part are reporting improved or maintained productivity - <u>4 day Week</u> and <u>The Guardian</u>
- 7. Women make up 50% of the population and, by age 45, 82% of those are mothers.- <u>ONS Labour market</u> <u>overview</u>
- 8. In 2020, 300,000 new babies were born in the UK and 44% of these were first time babies. <u>ONS 2020</u> <u>Births by parents characteristics</u>
- 9.Less than 1% of capital investment went to women. That's less than 1p in every £1 of investment. <u>British</u> <u>business Bank, UK VC Female Founders report</u>
- 10. The average age of a first time mum in the UK is 30 <u>Statista</u>
- 11. Job protection rights <u>GOV.UK</u>
- 12. At 7%, few men are sharing parental leave, the nationally published ONS stat is 2% <u>- ONS</u>
- 13. The Financial Conduct Authority recently issued a directive to financial services that they need to increase disclosure of diversity on company boards and executive committees. <u>FCA (PS22/3).</u>
- 14.Gender diverse organisations are 35% more likely to outperform companies that are less diverse <u>McKinsey why diversity matters</u>
- 15. Catering to different requirements results in a more diverse workforce which results in improved financial performance and better service to customers. <u>The Deloitte business case for diversity, Feb 2017</u>
- 16. The UK has seen a 58% increase in the number of diversity and inclusion (D&I) roles available over the past five years, and many of the top D&I roles are being created at senior level. <u>LinkedIn and Personnel</u> today
- 17. Talent retention stats tell the story; employees who are given ample flexibility are 4 times less likely to become a retention risk <u>Quantum workplace</u>.
- 18.145,000 all-female founded companies were created in 2021, a figure that is growing by more than a third each year. In total, over 20% of new firms are now led by women, a record high. <u>Enterprise Nation</u>
- 19. Female-led are more likely to be funded than ever before <u>Scale Up Institute</u>
- 20. Female founder index is diverse Alison Rose Review of Female Entrepreneurship

