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## Summary and Conclusions

This report presents a detailed look at employee and establishment experiences with family and medical leave in 2000, seven years after the implementation of the Family and Medical Leave Act (FMLA) and five years after the last detailed report, *A Workable Balance: Report to Congress on Family and Medical Leave Policies*. This report, like the earlier one, documents the extent to which the FMLA and other family and medical leave policies are meeting the needs of employees without imposing undue burdens on employers and also points to areas where these needs are unmet or where employers are reporting significant burdens. The following sections of this chapter describe the methods and major findings of this report and identify areas for further research.

### 8.1 Methods

This report presents findings on family and medical leave policies and practices from two new surveys of employees and establishments. These surveys, conducted by Westat in the summer and early fall of 2000, were commissioned by the Department of Labor to update the employee and establishment surveys conducted five years ago, in the summer and early fall of 1995.

The 2000 Survey of Employees is a unique source of information on employees' needs in the area of family and medical leave. The survey documents the extent to which current family and medical leave policies meet the needs of different types of employees as well as areas where these needs are unmet. The 2000 Survey of Establishments provides extensive information on what impact providing such leave has had on establishments. This information sheds light on the extent to which the FMLA is meeting the needs of employees without imposing undue burden on employers.

The 2000 Survey of Employees was a telephone survey designed to randomly sample U.S. residents who had been employed at any time since January 1, 1999. Three unique samples of respondents were interviewed: (1) those who had taken leave from work for a family or medical reason; (2) those who had needed but not taken this type of leave; and (3) those who were employed but had neither taken or needed leave during the period covered by the survey. A total of 2,558 interviews were completed, with a final weighted response rate for the survey of 58.3 percent.

The 2000 Survey of Establishments was designed to represent U.S. private business establishments. For purposes of the sample, an establishment was defined as the business located at a particular address or location. Data were collected with respect to this location, even if the employer had other locations. The human resources director or the person responsible for the company's benefits plan was selected to be the respondent for each establishment. A total of 1,839 interviews were completed. The final weighted response rate for the survey was 65.0 percent.

## **8.2 Major Findings**

### **Employees' Use of Leave**

One-sixth of all employees (16.5%) took leave for a family or medical reason in the 18 months prior to the 2000 survey, about the same percentage as in the 1995 survey (16.0%). Leave-taking did increase significantly between 1995 and 2000 for some demographic groups: older employees (age 50 to 64); married employees; employees with children; and those with incomes of \$50,000 to less than \$75,000.

There was a significant shift in the reasons that individuals took leave. In both 1995 and 2000, the employee's own health was the most commonly mentioned reason for taking leave. However, employees taking leave in 2000 were less likely to take leave for their own health than were employees in 1995, and more likely to take leave for other reasons such as maternity-disability, care for a newborn or newly placed foster or adoptive child, care for a spouse, or care for a parent. The reasons for this shift are unclear. The increased use of leave for reasons other than one's own health may reflect increased awareness and acceptance of the FMLA and other

family and medical leave policies, but there is not an obvious explanation for why leave-taking for one's own health would have declined over the period.

### **Employees' Leave-Needing**

There was a significant drop between 1995 and 2000 in "leave-needing" (i.e., the share of employees needing leave but not taking it). In 2000, only 2.4 percent of employees said they needed leave but could not take it, significantly less than the 3.1 percent who reported needing but not taking leave in 1995.

In 2000, as in 1995, the most common reason for not taking needed leave was the inability to afford it. This reason was cited by 77.6 percent of leave-needers in 2000. In addition, many leave-needers reported being concerned about possible negative impacts on their jobs or careers if they took leave.

### **Establishment and Employee Coverage Under the FMLA**

The 2000 Survey of Establishments found that the shares of establishments and employees covered under the FMLA were about the same in 2000 as they were in 1995: 10.8 percent of establishments were covered in 2000 (10.8% in 1995); and 58.3 percent of employees worked in covered establishments in 2000 (59.5% in 1995).

### **Awareness of the FMLA**

Although most establishments who are covered by the FMLA (84.0%) are aware of the Act, about one sixth (16%) are not, and this share has not changed since 1995. Awareness is lower among those who are not covered; more than half (55%) report not knowing whether they are covered or not.

A substantial share of employees (about 41%) in both covered and non-covered establishments have not heard of the FMLA, and about half of employees in both covered and non-covered establishments do not know whether the Act applies to them. However, there has been some increase in employee awareness and knowledge since 1995.

## **Use of the FMLA**

Although overall leave-taking did not increase from 1995 to 2000, use of the FMLA did. The Surveys of Employees indicate that the share of employees taking leave under the FMLA rose from 1.2 percent in 1995 to 1.9 percent in 2000. The Surveys of Establishments, which find higher rates of FMLA usage in both years compared to the employee surveys, also show an increase in use, from 3.6 per 100 employees in 1995 to 6.5 per 100 employees in 2000.

## **Employee Experiences with Family and Medical Leave**

A large majority of leave-takers said that taking leave had positive effects on their ability to care for family members (78.7%), their own or family members' emotional well-being (70.1%), and their own or family members' physical health (63.0%). Among those who cited positive effects on health, a large majority said taking leave made it easier to comply with doctor's instructions (93.5%) and led to a quicker recovery time (83.7%).

Most leave-takers (72.6%) were somewhat or very satisfied with the amount of time they took off during their longest leave. However, the share reporting being "very satisfied" was significantly lower in 2000 (42.2%) than in 1995 (48.2%).

The most frequently cited concern of leave-takers was financial, with over half (53.8%) worried about not having enough money for bills. Overall, about two-thirds of leave-takers (65.8%) received at least some pay during their leave, about the same share as in 1995 (66.4%), but the likelihood of receiving any pay varied a good deal by employee characteristics. Only 62.5 percent of women leave-takers received some pay (compared to 70.4% of men), and less than 50 percent of leave-takers who were young (age 18 to 24), were never married, had less than a high school education, or had a household income of less than \$20,000 received any pay during their leave.

More than half (58.2%) of the leave-takers who did not receive their full pay, or did not receive any pay, while on leave reported that it was somewhat or very difficult to make ends meet. Half (50.9%) said they would have taken a longer leave if some or additional pay had been available.

## **Use of Leave by Employees with Young Children**

Among employees with children age 18 months or younger, about three quarters work at FMLA-covered worksites. Two thirds (66.7%) of the men with young children, and just over half (56.2%) of the women, additionally meet the eligibility requirements under the FMLA.

Not surprisingly, a large share of employees with young children took some leave during the 18 months prior to the survey: 75.8 percent of women; and 45.1 percent of men. Just over a third of men with young children (34.1%) and women with young children (35.8%) took some leave to care for a newborn, newly adopted, or newly placed foster child. In addition, about a third of women with young children (32.4%) took some leave for maternity-disability.

## **Employee Views About Family and Medical Leave**

Overall, employees had very favorable views of the types of policies provided by the FMLA, and these views were more favorable in 2000 than in 1995. For instance, 81.4 percent of employees in 2000 agreed that every person should be able to have up to 12 weeks of unpaid leave per year for family and medical problems, up from 72.3 percent in 1995. Moreover, a majority of employees (67.4%) felt that co-workers taking leave had no impact on them.

## **Establishment Policies and Practices**

A majority of establishments provide up to 12 weeks of leave for employees' own serious health conditions, mothers' maternity-related reasons, parents' care for newborns, and employees' care for a child, spouse, or parent with a serious health condition, and nearly half provide up to 12 weeks of leave for adoption or foster care placements. As one would expect, establishments that are covered by the FMLA are much more likely to offer these benefits than establishments that are not covered: the share of covered establishments offering all five types of benefits mandated by the FMLA is 83.7 percent as compared to 33.5 percent of non-covered establishments. Covered establishments are also more likely to offer other work-life benefits such as child care assistance, elder care assistance, employee assistance programs, adoption assistance, and workplace provisions for lactation.

The gap between covered and non-covered establishments has narrowed since 1995, as non-covered establishments are significantly more likely to offer FMLA-type benefits in 2000 than they were five years earlier. Non-covered establishments may be providing these benefits voluntarily as a way of keeping up with the benefits offered by covered establishments in a tight labor market. Alternatively, non-covered establishments may be offering such benefits because of increased attention to family and medical leave issues at the state level.

A sizable minority of establishments offer leave beyond that guaranteed by the FMLA, with 21.4 percent offering more than 12 weeks per year, 28.1 percent covering employees who have worked for less than 12 months, and 26.8 percent covering employees who have worked less than 1,250 hours in the past year. The share of establishments offering these additional benefits is about the same for both covered and non-covered establishments. Additionally, well over half of establishments offer leave for school-related functions or routine medical appointments, with non-covered establishments being more likely than covered establishments to offer such benefits.

### **Covering Work While Employees Are on Leave**

In both 1995 and 2000, the most commonly reported method of covering work when an employee takes leave was to assign the work temporarily to other employees. This method was cited by 97.1 percent of establishments in 1995 and 98.3 percent of establishments in 2000. The second most commonly cited method in both years was hiring an outside temporary replacement, but this method was used by a smaller share of establishments in 2000 (41.3%) than in 1995 (60.5%). The data from the Survey of Employees tell a similar story: the most common method for covering work according to employees who had taken leave was to assign it to other workers, while the share of leave-takers who said their work had been covered by a temporary replacement was significantly lower in 2000 than it had been in 1995.

### **Views of Covered Establishments About the FMLA**

The share of covered establishments reporting that it was somewhat or very easy to comply with the FMLA declined from 85.1 percent in 1995 to 63.6 percent in 2000. Establishments in 2000 reported more difficulty than they had in 1995 with maintaining additional records, determining whether certain employees were

eligible, coordinating state and federal leave policies, coordinating the Act with other federal laws, and coordinating the Act with other leave policies.

At the same time, however, covered establishments generally reported that the FMLA had no noticeable effect on their business in the areas of productivity, profitability, and growth, or on their employees in the areas of productivity, absences, turnover, career advancement, and morale. When asked specifically about intermittent leave, a majority of covered establishments said it had no impact on their productivity or profitability.

### **Policies and Views of Non-Covered Establishments**

As mentioned above, the share of non-covered establishments offering family or medical leave for FMLA reasons increased from the 1995 to 2000 surveys, and the gap in the availability of leave between covered and non-covered establishments declined. Like covered establishments, non-covered establishments are most likely to cover the work of employees on leave by assigning it temporarily to other employees, although a lower share of non-covered establishments (86.2%) than covered establishments (98.3%) use this method. Other commonly used methods include putting the work on hold while the employee is on leave (31.3%) and having the employee perform some work while on leave (21.7%).

Like covered establishments, the majority of non-covered establishments said that their family and medical leave policies had no noticeable effects on their businesses or their employees. However, when asked to anticipate what the impact might be if they were covered by the FMLA, substantial numbers reported concerns, with about half anticipating that the FMLA would have a negative effect on their business productivity and profitability, and over a third (38.6%) anticipating a negative effect on growth. A comparison of the views of non-covered establishments with the reported experiences of covered establishments indicated that the non-covered establishments anticipated considerably more negative effects than the covered establishments actually experienced.

## 8.3 Conclusions and Next Steps

Seven years after the FMLA came into effect, this report finds that family and medical leave is becoming a more important part of the experience of establishments and employees.

On the employer side, more establishments are offering family and medical leave policies, in many instances going beyond what is required by the FMLA. Although an increasing share of establishments covered by the FMLA are reporting that the Act is difficult to administer and non-covered establishments worry about the burden that would be imposed if they became covered by the Act, a solid majority of covered establishments—two thirds—are finding the FMLA easy to administer, and an even larger majority of establishments are reporting that the FMLA has had no adverse effects on their business or their employees. These mixed reports from establishments suggest the need for further research on employers' experiences with family and medical leave policies. In this regard, it would be particularly useful to study employers' experiences with the FMLA and family and medical leave policies in the context of their experiences with other mandated benefits and other types of leave and personnel policies, in order to better understand the extent to which their reported difficulties with the FMLA are comparable to those experienced with other types of personnel policies and mandates. Additional research is also needed on the experiences and concerns expressed by non-covered establishments, which are at odds with the actual experiences reported by covered establishments. Future research should also further explore the experience of non-covered establishments that are offering FMLA-like coverage, to better understand the factors motivating these establishments to adopt such policies and their experiences with them.

On the employee side, employees are using family and medical leave in increasing numbers but at a stable rate. A declining proportion says that they needed leave for a family or medical reason but were not able to take it. Employees who have used leave generally report that they are satisfied with the leave they took and that it had a positive effect on their health and well-being and that of their families. The major problem that emerges from the employees' data is financial. Over half of leave-takers worry about not having enough money for bills. Many leave-takers report



having difficulty making ends meet during their leave, some cutting short their leave due to financial constraints. In addition, a substantial share of “leave-needers” says that they did not take the leave they needed because they could not afford it. The findings of this report suggest that there may be constraints on the total length of leave that employees can take, such that employees must cut back leave for their own health if they are to take leave for other family or medical related reasons. These are issues that should be explored in future research on employees’ experiences with family and medical leave. In this regard, specialized studies of groups with high family and medical leave needs (such as families with young children or elderly relatives) would be particularly welcome.