

Maternity Benefit Survey

2008

Irish market

principle hr



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Maternity Benefit Survey 2008

Foreword

principle hr is delighted to present the results of its Maternity Benefit survey in 2008.

As a nation Ireland has experienced a significant growth period, staff shortages and has moved to service driven economy. With a downturn in the economy in 2008 and uncertainties facing both employers and employees, ensuring stability in workplace is vital to ensure companies not only survive but grow during these difficult times.

The main objective of this survey is to highlight the findings and consider the implications and challenges for employers who currently offer a maternity benefit contribution and for those who do not.

Within the current Irish jobs market, it is of extreme interest to assess and consider the market norm or trends in relation to the **views** and **attitudes** of various female employees. The findings can be frightful for many.

European studies show wide variations on this topic of study and suggest that both Ireland and the UK lag behind in relation to pay and leave entitlements than some of our neighbouring countries.

This result of the survey would ask the question, ***'are Irish employers considering the welfare of their workforce when devising various HR initiatives such as Maternity Entitlements or is it a complete impediment for businesses?'*** Compiling an answer to this question is supported by our findings from the various viewpoints of our sample surveyed....

Using this survey

Clients of principle hr are welcome to discuss the results with any of our senior staff involved in the production of the survey. We encourage your review of what female employees in the Irish work place are reporting.

Obviously, care must be taken in applying the observations outlined in the document. We hope this survey provides a useful guidance to you. principle hr would always encourage you to obtain appropriate advice on all employment matters before decisions are acted upon.

Audrey Hughes
Managing Director

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1 Key Findings

Companies that do not offer a Maternity Benefit may be turning away potential workers, three out of four women say that the lack of Maternity Benefit would influence them not to take a job position.

It is also apparent from this survey that many female employees feel that by taking maternity leave, they not only feel a sense of hindrance on their employers but also undue pressure at a time when support is needed.

As society dictates, it is inevitable that many women, regardless of job status, age and competence will at some stage wish to avail of the maternity leave entitlement.

Although employers may lose highly talented female members of staff for a period of time, employers really need to act appropriately and perhaps offer the support by planning for the unexpected.

In order to comply with not only Irish employment legislation but European legislation, no organisation can advertise to recruit male only employees, for this reason women are needed within the workforce and therefore this topic of study is unavoidable.

It appears that there is a lack of consistency throughout organisations in relation to maternity leave/benefits. Although offering maternity pay is not compulsory in Ireland, employers need to openly communicate their policy to avoid discrepancies, claims or any other ambiguity that obviously exists.

It was found that over 60% of Irish employers provide maternity benefits to their employees on top of the statutory entitlement. However it should be noted that an additional 19% of participants were unsure.

50% of employers pay employees their full pay entitlement for 26 weeks less the department of social welfare contribution. 19% received nothing from their employers and the balance 31% receive some contribution, however this would be less than their normal pay.

38% do not have any obligation to their employer to return to work regardless of whether they received a contribution or not, again a staggering 50% were unsure.

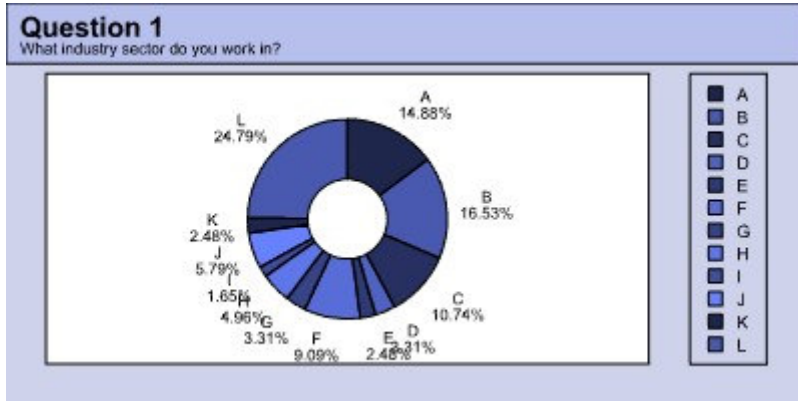
61% of participants suggested that they would return to work on a full time basis. 33% suggested a part-time basis and 6% opted for job sharing.

When we compare our statutory leave entitlement to many of our European neighbours (e.g. 96 weeks in Sweden, 52 weeks in Norway and 50 weeks in Denmark), interestingly 63% of those surveyed felt that the 26 weeks in Ireland was sufficient.

77% of Irish women still feel that taking maternity leave will inevitably affect their chances of career progression over those that do not.

1.1 Industry Sector

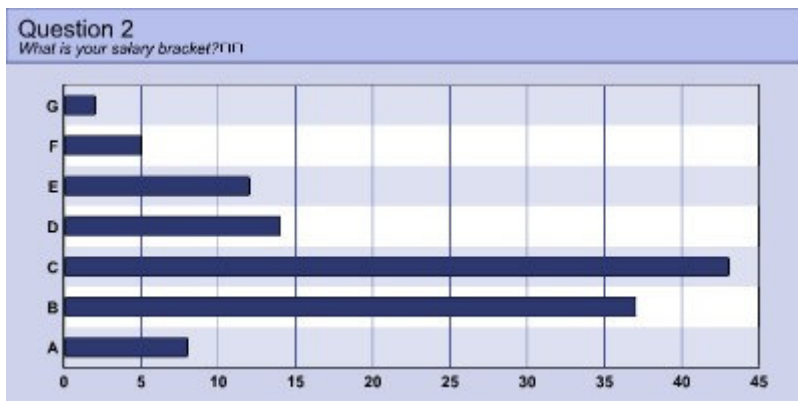
To ensure a variety of results principle hr targeted a wide range of employees across multi-disciplines –



- A) Sales & Marketing 14.9%
- B) Finance & Banking 16.5%
- C) Accounting & Insurance 10.7%
- D) Telecoms 3.3%
- E) Customer Services 2.5%
- F) IT 9.1%
- G) Pharma 3.3%
- H) Public Sector 5.0%
- I) FMCG 1.7%
- J) Services 5.8%
- K) Education 2.5%
- L) Other 24.8%

2.2 Salary Bracket

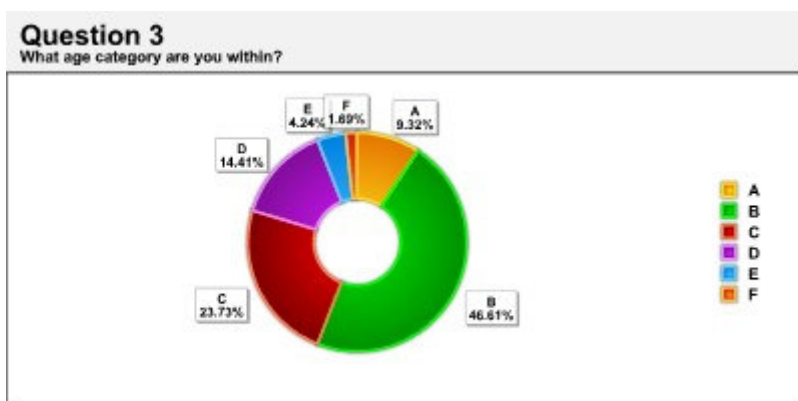
36% surveyed are within the €35,000 – €44, 999 bracket. This is an interesting statistic as it proves that the majority of respondents are within the development stages of their career and on an apparent upward journey towards senior level positions.



- A) 15,000 - 24,999
- B) 25,000 - 34,999
- C) 35,000 - 44,999
- D) 45,000 - 54,999
- E) 55,000 - 64,999
- F) 65,000 - 74,999
- G) 75,000 +

2.3 Age Profile

The below graph illustrates that 47% surveyed are aged between 25- 30 years followed by 24 % aged between 31-35. Again, we have sampled a range of profiles ensuring the validity of viewpoints.



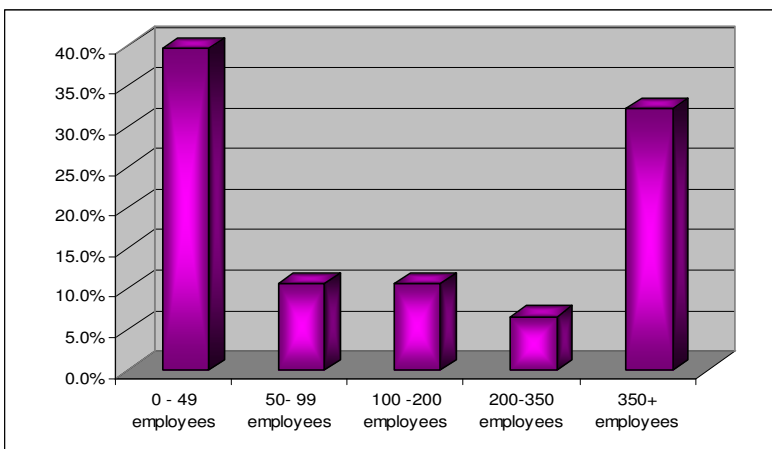
- A) 18-24
- B) 25-30
- C) 31-35
- D) 36-40
- E) 41-45
- F) 46+

2.4 Organisational Size

An interesting statistic shows that the majority of respondents (40%) work within small organisations consisting of 0-49 employees. When offering a maternity contribution this can prove quite costly for employers. Firstly, there is a loss of a team member within a particular department, extra workload on fellow team players thus causing low morale etc and the financial burden of lost productivity can no doubt have an adverse affect on businesses.

On the contrary, by not responding to the welfare of your workforce this can also have a major impediment to the success of your business and a negative unethical image to your investment in your brand name.

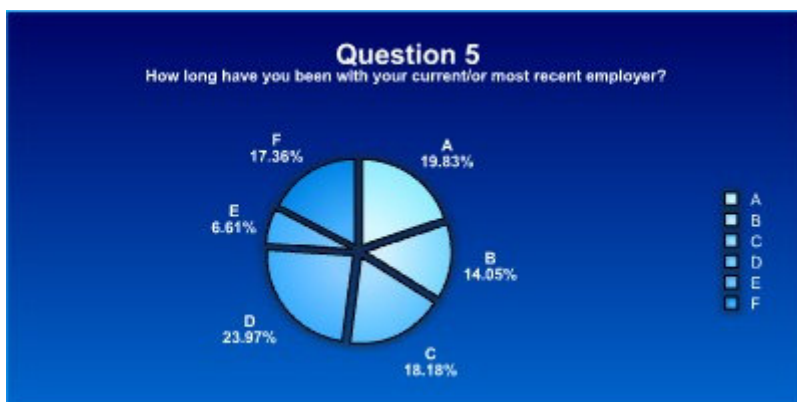
A close 32% currently work within organisations employing 350 +. Regardless of size, companies need to ensure careful research and hr planning in order to ensure that their decision on this topic of study is the right one for their organisation.



0-49 employees	40%
50-99 employees	11%
100-200 employees	11%
200-350 employees	6%
350+	32%

2.5 Length of Service

24% of respondents have been with their employer for 2-4 years, followed by a close 20% who have only worked with their employer for 0-6 months. It is also interesting to note that 17% have remained with their employer for 6+ years.



- A) 0-6 months
- B) 7-12 months
- C) 1-2 years
- D) 2-4 years
- E) 4-6 years
- F) 6+

2.6 % of Companies offering Maternity Benefit

	Percentage
Yes	60 %
No	21 %
Not sure	19 %

60% answered *yes* to receiving some form of maternity benefit contribution from their employer, however still 19% responded as “*not sure*”. The latter statistic proves that perhaps there is still a strong degree of ambiguity and fog around this benefit and not enough open communication between management and their staff. If we asked the same question to employees regarding pension or healthcare contribution this would more than likely hold less uncertainty.

2.7 Length of service before receiving Maternity Benefit

Of those who answered ‘*yes*’ to question 2.6 above, 26% secure a maternity benefit between 6-12 months of commencing employment. Still, 32% are *unsure* as to what the policy is.



A) 0-6 months	14%
B) 7-12 months	26%
C) 1-2 years	26%
D) 2-3 years	1%
E) 3+ years	1%
F) Not sure	32%

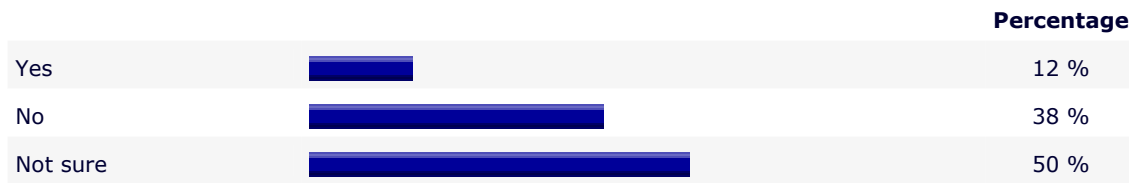
2.8 Variations in Maternity Benefit paid

	Percentage
Full pay 26 weeks (ie normal basic salary paid by your employer)	50 %
Partial Payment (ie normal basic salary paid for the first 18 weeks)	11 %
Department of Social Welfare only (ie nothing from your employer)	19 %
Other	21 %

50% receive full pay for 26 weeks and 19% receive nothing from their employers. However, of those who responded to ‘*other*’ (21%) some of the comments have included –

- ‘Full pay for first child and nothing for any other pregnancies’
- ‘€100 per week’
- ‘Full pay for 12 weeks and then half pay for further 12 weeks’

2.9 Requirement to return to work policy



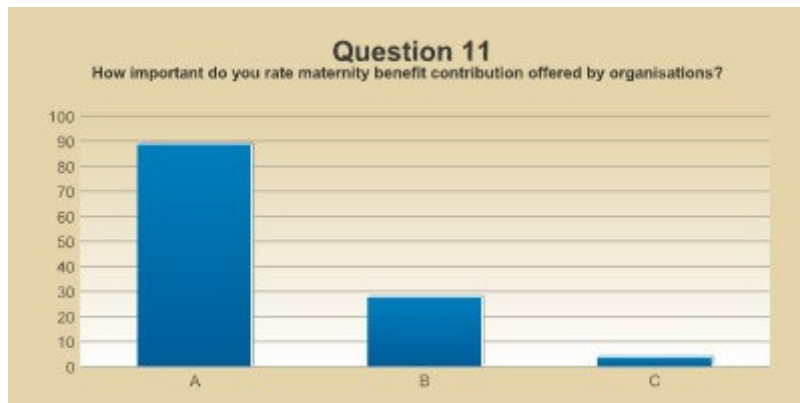
From this result we can see that 38% do not have any obligations to their employer to return to work regardless of whether they received a contribution or not and again a staggering 50 % are unsure.

2.10 Should Maternity Benefit be compulsory?

The majority of respondents have voted in favour – 88% with only 12% suggesting that it should not.



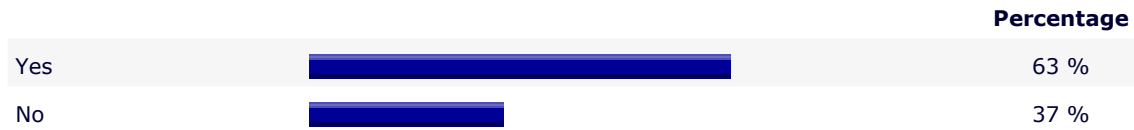
2.11 Importance of Maternity benefit offered



- A) Very Important 74%
- B) Important 23%
- C) Not Important 3%

It is interesting to note that only 3% of the sample surveyed suggested that a maternity benefit contribution was not important to them with 74% suggesting that it was of **extreme importance**.

2.12 Is maternity leave sufficient?



The results indicated that 37% of the respondents surveyed do not feel that the statutory maternity leave entitlement offered to female employees in Ireland is sufficient.

From learning this statistic, it is interesting to note that the 26 weeks statutory paid leave in Ireland is still less than what is offered in many countries within Eastern and Western Europe. In Sweden, the number of paid weeks is 96, Norway, 52 weeks and Denmark 50 weeks. However, 63 % feel that the number of weeks offered is sufficient.

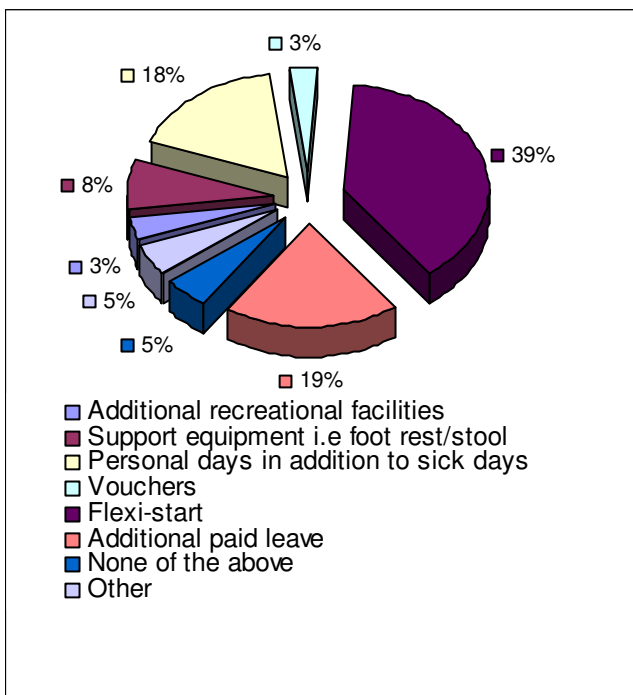
Although globalisation is making the world smaller, there are still many aspects of employment legislation that is not standardised throughout Europe. Perhaps with recent changes in the Irish political forum, Ireland may soon reap many new changes and development.

2.13 Should additional benefits be offered?



Judging by the result of this statistic it is quite apparent that the female workforce are not satisfied with regards to the additional benefits offered exclusive from the monetary entitlement. 76% feel that organisations could offer additional intrinsic rewards in order to further support and perhaps increase their well being while at work throughout their pregnancy.

2.13.1 Preferred additional benefits



The primary additional benefits that most respondents felt would facilitate their needs were –

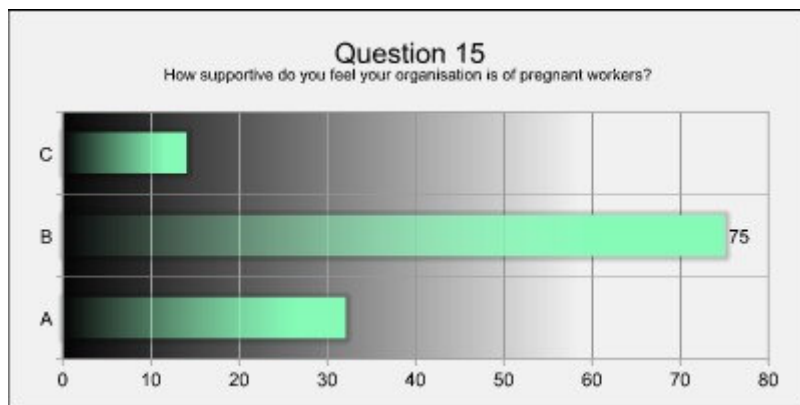
- Flexi-start 39%
- Additional paid leave 19%
- Personal days in addition to sick days 18%

Other responses for those that answered to 'other' have included –

- 'NOTHING – what about us women who aren't having babies'.
- 'Option to work from home'
- 'I would make it essential that every pregnant woman should be entitled to make every hospital/doctor appointment regardless of staffing issues that our employers may have'.

We can see from the above that there are mixed emotions in relation to this topic, however the majority are in favour of the prospect of offering additional support.

2.14 How supportive is your organisation of pregnant workers?



A) Very Supportive	26%
B) Supportive	62%
C) Not supportive	12%

When asking our respondents on how supportive they felt their employer/organisation were to pregnant workers, 62% rated them as only supportive and a further 26% felt that they were offered great support.

Still, 12% felt that their employer was not supportive at all.

2.14.1 If answered "not supportive", examples of why

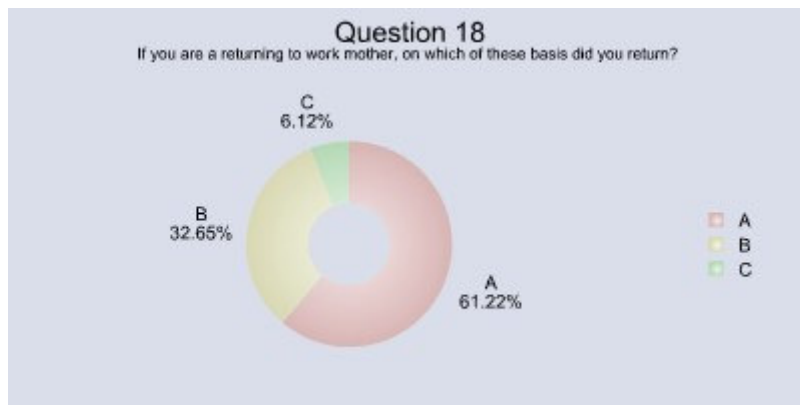
- 'It's more of an inconvenience to them'
- 'Being absent for any reason is not tolerated although nothing is said aloud.'
- 'Policy is in place but appears to be there just for show - there is a lot of resentment towards women who take Maternity Leave - mainly by management.'
- 'Pregnancy is not welcomed and is seen as an inconvenience. No benefits are offered and pregnancy is not encouraged'
- 'Was originally told we could have maternity leave if worked for company for more than 3 years and when one of the girls got pregnant this was pulled'
- 'Boss resentful of amount of leave available as she didn't get as much time off when she was pregnant. Also made it clear that I was lucky to be getting paid as the funding wasn't really there to cover my Maternity Leave.'
- 'Would be encouraged to leave'
- 'Have not checked maternity benefits when starting because currently not planning pregnancy but have been working with company for nine months and not met a single pregnant employee. Also work requires high level of unpaid overtime, very dynamic environment that does not really allow for sickness'

2.15 If no Maternity Benefits offered would this influence your decision to accept a job?

	Percentage
Yes	75 %
No	25 %

When asking 121 female respondents their views with regards to an employer not offering any maternity benefit support, 75% responded to suggesting that this would influence them not to accept a new role. Only 25% felt that it would not influence their decision when considering a new role.

2.16 Returning to Work mothers – full time, part time, job sharing



- A) full time
- B) Part time
- C) Job Sharing

61% surveyed suggested that they would return to work on a full-time basis while 33% felt that they would opt for part-time status. Only 6% opted for job-sharing.

2.17 Does maternity leave affect career progression?

	Percentage
Yes	77 %
No	23 %

77% of Irish woman still feel that taking maternity leave will inevitably affect their chances of career progression over those that do not. However, there is still 23% who feel that they would not be affected at all. This result more than likely is influenced by how supportive their organisation has been in the past in terms of this policy and perhaps the culture and composition of the company also.

2.18 Additional respondent comments

At the end of this survey we offered respondents an opportunity to express additional commentary at their own discretion.

Below is an outline of some of the views of women within Irish workplaces...

- 'An organisation's maternity benefits would play a major role in my decision to work or not for a company. It's not enough to pay high salaries; providing support for the life stages and life styles of performing employees is a key to retention.'
- 'Businesses should be encouraged to facilitate more part-time workers so women can work and take care of school going children. This ultimately benefits society as a whole'.
- 'Most employers begrudge maternity leave, not conducive to having more than one baby'.
- 'I am not from Ireland. In my country woman can stay at home with their children for 2-3 years depending on their decision. As a woman, I think it is extremely important to be with their baby for at least one year, so I do not understand why it is 26 weeks in Ireland. I think the system should change to make sure women can stay longer at home without feeling guilty.'
- 'Maternity benefit is a major factor between couples deciding to have a family, many couples have to wait until they are in their mid/late 30's due to the fact of no maternity leave paid. At this stage, there are greater health risks associated for both the mother and baby all for the sake of satisfying your employer'.
- 'Ireland needs to look at policies from other countries – especially Scandinavia.'
- ' An employer not offering maternity benefit would not influence me to decline a job offer as I have no intention of becoming pregnant in the near future, however, if I made the decision in the future to have a family, it would certainly influence my decision in that case.'
- 'It's a load of crock.... What about us women who aren't having babies??? If you choose to have kids, get on with it. Why should someone who has been off for 2 years having kids get the same wages, raises bonus etc and STILL get extra leave and other perks? Employers run businesses to make money, not to provide welfare to their staff... '
- 'Companies need to reward the employees that do show loyalty and work hard, in every organisation you have people who abuse the "rules", these employees should not be put in a comparison chart as the people who do their jobs correctly'
- 'I can't believe that we are still at the stage where some companies don't offer to top up the statutory payments - how are new mothers meant to cope financially at a time when they are most vulnerable. Even as it is the 26 weeks in insufficient time but it is the least employers could pay to facilitate a good worker to maintain her standard of living and return to work to resume her valuable role within the company. (Surely if she was a valuable member of the team before she got pregnant, this should remain the case during and after her pregnancy).'

General

The materials contained in this publication are not intended to provide, and do not constitute or comprise, advice on any particular matter and are provided for general information purposes only. You should not act or refrain from acting on the basis of any material without seeking appropriate advice.

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