



How to Retain Talented Women after Maternity Leave *A short report for Human Resources professionals*



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Introduction

The introductory report has been written for Human Resources (HR), Diversity and Talent Managers who want to attract and retain more women in their organisation.

Why You Need To Retain Working Mothers

Some stark statistics:

- ❖ In a recent survey conducted by Microsoft and www.womenintechnology.co.uk **88% of respondents said that more should be done to encourage women** to return to their technology careers after maternity.
- ❖ 50% of women with children under 5 are in employment
- ❖ In the next few years, **80% of the growth in the UK workforce** will be accounted for by women
- ❖ By 2010, one in five UK workers will be mothers

The economic case for attracting and retaining women cannot be ignored: There are now more first-time mothers in the 30-34 age group than the 25-29 age group. Demographics within the UK workplace are changing rapidly: with so many women working, and many of these women likely to be in a senior position when they go on maternity leave, it is essential that organisations take steps to retain these women in order to avoid severe disruption and expensive replacement costs.



Soaring Resignation and Discrimination Figures

Yet, despite the overwhelming case for change implicated by all of these statistics, most organisations have not yet adapted to the changes taking place around them, as demonstrated by the increase in female resignation rates and discrimination cases over the past few years. A recent report by the Equal Opportunities Commission stated that having a child is still the "leaky pipe" in women's career advancement, and that there is a huge discrepancy between the number of employers *saying* they fully support flexible working for mothers and the number of employees actually taking it up. This fact is reflected in the figures below:

- ❖ 30,000 women in the UK leave their jobs each year due to pregnancy discrimination¹
- ❖ Resignation rates among female professionals are at a five-year high²
- ❖ The number of sex discrimination and equal pay cases has soared, exceeding 28,000 and 44,000, respectively, between 2006 and 2007
- ❖ The number of women at management and senior management levels in the FTSE 350 has fallen by 20 per cent since 2002³

¹ Tribunals Service, 2007

² National Management Salary Survey

³ Price Waterhouse Coopers, 2008



Reaping the Financial Rewards of Retaining Women

Talent management is critical in a world where 80% of workers are knowledge workers. Moreover, attracting and retaining female talent is no longer just a “nice to have” or “nice to be seen”: **Increasing women’s participation in the labour market is estimated to be worth between £15 billion and £23 billion** to the UK economy⁴: the companies who adapt to the needs of working mothers will certainly become true employers of choice. But most importantly, they will be the companies who benefit directly from this increased participation.

Yet, there are a number of reports that demonstrate a strong link between the representation of women at board level and company performance. For example, research from the USA shows that companies with the highest representation of women on top management teams achieve a **34% higher total return to shareholders** than those with the lowest representation.⁵

The CIPD states the **average cost of replacing an employee is £7,750** and the more senior the position, the higher the cost – **between three to five times her salary**.

⁴ Shaping a Fairer Future, Women and Work Commission, 2006

⁵ Catalyst USA, 2004



The Benefits in Brief

Companies that support women in the difficult transition before and after maternity leave not only increase their retention rates but also protect their investment in human capital. They will:

- ❖ Reap increased loyalty
- ❖ Be perceived as a desirable employer
- ❖ Be ahead of the game when the competition for ever dwindling human resources intensifies in the next decade

Key Findings from our Return to Work Survey

In October 2007, we carried out a survey across our database of over 1,000 working mothers. The aim of the survey was to gather quantitative and qualitative data on women's return to work experiences. Just under 300 women responded to this survey and in this special report, we have distilled the recurring themes and have reprinted some of the comments that were raised again and again. We have reproduced these recurring themes here to further understanding of what working mothers want so that companies can attract, engage and retain more working mothers in an era when retention and motivation are two of the three key elements that have the most positive effect in organisations.⁶

⁶ The three elements reported as having the most positive effect were retention, motivation and recruitment respectively. CIPD, 2005



The transition to motherhood is a challenge for every woman. One of the respondents in our Return to Work survey expressed the problem simply:

"It's such an emotional time, no matter how logical a person you are. You go from being 100% professional to a year of being 100% per cent mother. Then when you return to work you somehow have to combine being 50% mum 50% professional, with expectations that you give 100% to each role".

The Four Mistakes that Employers Make

Just over one in five respondents related "horror stories" about their return to work experience, with outright discrimination in some cases: **22% rated their overall return to work experience as "poor" or "very poor"**.

However, the biggest issue for women returnees appears to be what their company *didn't do* rather than what they did do. A huge **58% of respondents said that their company (i.e. colleagues/manager/HR department) did *nothing* to help them** to return to work with ease and confidence. And almost half of our respondents (49%) said they would have liked their company to have given them more support.

Comments from the survey show that this lack of support manifests itself in four areas:

1. Unsympathetic workplace culture
2. Reluctance or lack of knowledge in implementing flexible working arrangements
3. Career stagnation or uncertainty
4. Simply doing nothing



An Introduction to Three Simple Ways to Retain More Maternity Returnees

So, it is clear that something needs to be done, but what can you do and where do you start? To help you start thinking along the right lines, here is an introduction to three cost-effective approaches we recommend to retain talented women after maternity leave:

1. Pay Close Attention to Consistent Policy

We have found that there is rarely a consistent approach towards women returnees within large organisations. Mothers told us that they either had a great manager but a lackadaisical HR department or a solid, supportive HR department but an antipathetic manager. Only 3 respondents said that both their manager and the company policy were in alignment. This data reinforces the feedback we have received from our clients over the past five years: It appears that all too often, a woman's return to work experience is down to luck of the draw. If she has an understanding and sympathetic line manager, then it is likely that this will have the greatest positive impact upon her return to work experience.

*"My manager was considerate of my work allocation to ensure that I did not need to work away from home within the first six months. **I suspect however that this was due to having a good manger as opposed to it being standard policy.**"*

"Leading employers are offering innovative programs that help their employees balance their work and family commitments...These companies understand that to meet the needs and realities of today's workforce, they must offer employees choices across the lifecycle of their careers, providing new solutions at different points in employees' lives."

Jill Smart, Chief Human Resources Officer of Accenture – one of The Times Top 50 Where Women Want to Work



*“Nothing was proactively offered apart from a special project for the first 8 weeks – this was invaluable however and helped me to ease back into my old job. **This was offered by my Sales Manager as a favour as opposed to being a structured programme driven by HR**”.*

Moreover, this lack of consistency is reflected in many stories appearing in the press. Take the latest of such stories, published in the Guardian on 23rd April 2008 about Ruth Holloway, who settled out of court after drafting a formal grievance against her employer:

“In the 1990s, when Holloway joined the company that would eventually screw her over in such a brazen fashion, the chief executive was a man who saw the fact that a senior member of staff was combining her job with motherhood as something to be proud of. On his retirement, a “sexist dinosaur” took over and the culture shifted.”

Whilst we have to accept that managers have their own personalities, this is clearly a case that would never have happened had Holloway’s original Chief Executive remained. The question that arises with this pot luck approach is whether you want to risk being in the headlines as a result of a tribunal raised due to one individual’s attitude. And on the flip side of this, a “good” manager without a consistent HR policy reflecting his or her outlook, is likely to engender loyalty as an individual rather than to the organisation as a whole.



2. Tackle Lack of Confidence and Anxiety

Lack of confidence and anxiety are the two major issues that our clients present to us upon returning to work after maternity leave. It seems that, no matter how senior the client, nor how confident they might be in their abilities, each of them almost without exception struggles with a number of internal factors:

- ❖ Anxiety about how they will fit in
- ❖ Anxiety about how they will be perceived by their colleagues/manager etc
- ❖ Anxiety about how they will cope with juggling the competing demands of motherhood and career
- ❖ Concern that they will no longer be able to do their job effectively

Loss of confidence and anxiety are two sticking points that come up time and again: 69% of respondents in our survey said they felt anxious about returning to work and 46% said that they felt less confident than they had done before maternity leave.

By providing a variety of support structures for women returnees to help build their confidence, you will reduce the “getting up to speed” period significantly and minimise chances of losing the new mothers in your workforce.



3. Offer Personal or Group Coaching Support

Respondents in our Return to Work Survey voted overwhelmingly in favour of a coaching programme to support them when they returned to work. 75% of respondents said they would have taken advantage of a coaching programme had it been available.

Maternity or return to work coaching is a very new service in the UK, but one that is already gaining significant attention both from HR heads and the press. Increasingly, companies who recognise that the maternity period is a time when they are more likely to lose talent are taking up maternity coaching for some or all of their pregnant employees. According to Lynda Gratton, professor of management practice at London Business School, motherhood is one of the main points at which women fall off the career ladder⁷.

A few of the bigger names currently providing maternity coaching are KPMG, UBS, Citigroup and Accenture, with many Law Firms such as Clifford Chance, Linklaters, Herbert Smith LLP, Allen and Overy.

The cost of maternity and return to work coaching represents a significant return on investment, particularly when compared with the cost of replacing an employee or the average award for sex discrimination.

⁷ Times Online, 20th April 2008



COST BENEFIT ANALYSIS OF MATERNITY COACHING

A	B	C	D	E
Average cost of replacing an employee (source: CIPD)	Average cost of maternity Coaching Programme for one woman for one year with Amanda Alexander	Average saving to your bottom line compared to replacing employee (A-B)	Average award for sex discrimination	Average saving to your bottom line compared to sex discrimination award (D-B)
£8,200	£1,900	£6,300	£6,724 ⁸	£4,824

These figures typically represent a non-skilled worker, whereas the true cost of replacing a professionally trained woman might be between 3-5 times her salary, and of course sex discrimination awards are unlimited. The cost given for a maternity coaching programme is one that would typically be offered to a professional, and this would be significantly reduced for a group maternity coaching programme of more junior employees.

A coaching programme will typically look at the maternity period over three phases – before, during and after maternity leave. In it we help coachees to consider a mixture of practical and emotional issues, such as:

- ❖ Making the announcement
- ❖ Managing the handover
- ❖ Planning for contingencies, such as a premature birth

⁸ Tribunals Service 2007



- ❖ Deciding on whether and how to keep in touch
- ❖ Maintaining relationships
- ❖ Dealing with personal anxieties
- ❖ Keeping in touch
- ❖ Effective communications
- ❖ Working on confidence levels
- ❖ Thinking about strengths and weaknesses
- ❖ Getting up to speed with projects
- ❖ Reconnecting with key stakeholders
- ❖ Thinking about future work patterns
- ❖ Visibility upon return to work
- ❖ Re-integrating into the company
- ❖ Setting boundaries
- ❖ Prioritising and managing relationships
- ❖ Establishing own definition of success

As well as these specific objectives, a coach is an independent person without a political or personal agenda with whom the coachee can bounce ideas off and seek guidance and clarity on issues that are unique to each individual:

One respondent in our Return to Work survey said: *"You can't speak to your manager about feeling less confident but you can speak to an independent person about it."*



Apart from the benefits to the women, offering such a system of support, in whatever guise, is an excellent way for companies to position themselves as employers of choice for women and engender a culture of loyalty. One of respondents, a senior consultant in a multi-national management consultancy summed it up thus:

"I cannot imagine ever leaving a company that would offer this level of support."

Conclusion

Juggling a career and a family is hard work and women need to feel supported to do this. In our Return to Work Survey, 20% of women who had given up work cited their reason as "trying to juggle home and work was too difficult". Whilst organisations cannot eliminate all the difficulties faced by working parents, those organisations with a family friendly culture that listens to and responds to their working parents will attract and retain the lion's share of this shrinking pool of talent.

It is currently estimated that losing women in the workplace - with the lost tax revenue and increased welfare benefits it causes - costs the UK between £15bn and £23bn each year, the equivalent of about 2% of the GDP. The importance of retaining talented women is simple: it affects our economy as a whole and that means it affects individual businesses

This Special Report is an introduction to our two hour workshop for HR and Diversity Managers on **How to Retain Talented Women After Maternity Leave**. This workshop, which can be delivered in person or as a webinar, covers:

- ❖ Why it is so essential to pay attention to the needs of working mothers



- The key findings of our Return to Work Survey to give you an in-depth understanding of what really matters to new mothers when they return to work
- How to put together a “toolkit” of innovative approaches that you can implement easily to retain more women and be seen as an employer of choice for working mums
- The ten most innovative practices implemented by employers rated as the best amongst US mothers

We hope you have gained some insight and benefit from this Special Report précis.

If you would like to learn more about retaining women after maternity leave or you want to explore how we can help you to support your valuable working mothers, you can call Amanda Alexander directly on +44(0)1829 752656 or visit our website at www.amandaalexander.com

About Amanda Alexander Associates LLP

Founder and Managing Director Amanda Alexander has been helping working mothers to achieve success with balance for the past five years.

Amanda originally set up her coaching and consultancy practice in 2003 in response to an ever increasing clientele of professional working mothers seeking support to achieve success with balance. Having switched career herself from IT Project Management to coaching as a consequence of becoming a mother the previous year, Amanda empathises with her working mum clients and the challenges they face.



Having successfully coached hundreds of women over the past seven years, the approach we use is to go beyond customary work life balance practices to connect with working mothers and their employers in a way that is personal and practical.

Our mission is to help both organisations and the parents who work for them to achieve excellence. We do this by offering a complete range of services such as:

- ❖ Maternity coaching to help working mums through the difficult maternity transition period and help them feel supported and valued
- ❖ Coaching and training to help managers to navigate through the increasingly choppy waters of correctly and legally managing working parents.
- ❖ Sixty Minute Seminars™, Webinars and Workshops on subjects to support working parents and their employers
- ❖ Communications training and consultancy to help both parents and employers communicate clearly and effectively, thus avoiding tribunals