The business case for employers supporting carers: reflecting on a UK model

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Introduction

Recruiting, retaining and returning carers to the workplace have already been identified as major economic and social issues in the UK. They are likely to become even more important as a consequence of demographic and economic pressures on families and employers (HM Government et al., 2013). This article sets out the current and future context regarding working carers, as well as the business response in terms of policy and practice, highlighting what has been achieved and what has yet to be addressed. It focuses specifically on the work of Employers for Carers (EfC), a membership forum of UK employers committed to supporting carers.

Working carers: current and future context

Today, 3 million of the UK’s 6.5 million carers combine paid work with caring for older, disabled or seriously ill relatives. Eight in 10 carers are of working age, with that proportion increasing to one in five of people aged 45–64, the peak age for caring (Carers UK, 2015a). Caring responsibilities are a key reason why workers leave employment. One in six employees reduce their working hours or leave work altogether to provide care (Ipsos MORI, 2009). Often, these workers are the most experienced in any organisation, an issue that is gaining recognition among employers and policymakers. This is explicitly acknowledged, for example, in the UK government’s Fuller working lives strategy, which focuses on supporting workers aged 50 plus (DWP, 2017).

Evidence suggests that caring begins to have an ‘adverse effect on an employee’s ability to remain in the workplace’ once caring activities demand more than five hours per week (Age UK and Carers UK, 2016). This impact varies by status, with higher-skilled employees being more able than unskilled ones to access flexible working as they are more ‘valuable’ to their employer. Those in more routine occupations,
such as production workers, sales assistants and home-care workers, are less likely to be offered carer-related benefits and are thus more likely to leave paid work sooner. Men are also more likely to leave the workplace than women; in part, this reflects the fact that as more women are employed in part-time roles, they are able to combine work and caring for longer.

The transition to caring is a major trigger to leaving paid work, especially if the employer and/or wider care environment is not supportive (Ipsos MORI, 2009). In a recent Carers UK survey, 65% of respondents reported that they gave up work due to the ‘stress of combining work and care’ (Carers UK, 2015b). The three ‘typical areas’ of employer failure were: lack of flexibility (both formal and informal); lack of support; and limited understanding and empathy, especially from line managers. These contribute significantly to workers leaving employment prematurely. For those who remain in paid work, there are other ‘care-related consequences’, including being obliged to use annual leave to provide care, missing out on training opportunities and not going for promotion.

One of the main barriers to remaining in employment is inadequate care and support services for the cared-for person. The State of caring report in the UK identified that a third of carers have given up work (or reduced their working hours) as a result of support services being inadequate, inflexible or too expensive (Carers UK, 2015b). Many others continue to work but are unhappy with the support services for their relative. The state benefits system can also punish working carers. For example, the lack of a ‘taper’ on Carers Allowance means that people can be penalised by losing this benefit if their income rises only marginally.1 So, while businesses can take a lead, they cannot square the ‘employment and caring’ circle on their own. Responsibility for doing this needs to be shared between employers, care and support services (local authorities, the National Health Service [NHS] and third sector agencies), the welfare benefits system, and policymakers.

**Business leadership**

Having identified the problem, however, why are (some) businesses taking a lead in providing a solution? The answer is not corporate philanthropy; it is rooted in hard-nosed, good business sense and economic advantage. The key to this ‘business case’ is a drive to retain experienced employees, combined with a need to recruit and return employees – who happen to be carers – to the workplace. Two recent studies demonstrate that the direct cost to an employer of losing a working carer is between 100% and 150% of their annual salary. Grossed up across the UK, this amounts to a cost of around £1.3 billion a year to the economy; when lost tax revenue and additional state benefit payments are taken into account,2 this rises to a staggering £5.3 billion a year (Age UK, 2012). The economic case for working carers is compelling.

Within the individual company, the benefits of addressing the challenge can be converted into an opportunity. A 2013 EfC survey demonstrated the tangible benefits of supporting working carers: 92% of employers saw better staff retention; 88% lower absence; 61% improved recruitment; 69% higher productivity; and 72% improved customer satisfaction and repeat purchases (of goods) (HM Government et al, 2013). All of this converts into ‘hard cash’ – higher profits, improved competitiveness and better bottom-line performance.
Employers for Carers

We now turn to discussing the origins, development and work of EfC. With support from funding from the European Social Fund’s Community Initiative Programme, Madeleine Starr (Director of Business Development and Innovation at Carers UK) spent a large part of 2004 recruiting a group of pioneering ‘carer-friendly’ employers. From day one, this was a business-led group, administered by Carers UK; it was formalised as EfC in 2009. Its main focus was on establishing the economic and business benefits of supporting working carers. British Gas and British Telecom were founder members of EfC. They identified caring as a key factor behind the early exit of some of their most skilled staff, including engineers, and recognised the need to address support for carers in their workplace, for example, by providing flexible working. EfC is financially self-sustaining through moderate membership fees. Carers UK plays a key role within Carers UK, keeping EfC connected to contemporary carers policy issues, research and information, while EfC helps Carers UK to be ‘plugged in’ to the business agenda in relation to working carers.

In its first five years, under the leadership of Caroline Waters from the British Telecom Group (a UK-wide communications service organisation), EfC grew to over 60 members and drew in associate members, including leading academics such as Sue Yeandle (Editor-in-Chief of this journal). It developed its own website, including offering a repository of examples of best practice, and created training programmes for line managers in understanding and supporting carers (see: www.employersforcarers.org). EfC also facilitated the creation of a UK-wide network of workplace carers, and conducted a number of panel surveys of both employers and working carers to gather evidence about the importance and financial benefits of supporting working carers.

EfC has built a brand identity within Carers UK; it is actively engaged in developing government policy, and its members willingly share best practice in a non-competitive way – even within the same sector! The forum has also contributed, with Carers UK, to the development of ‘Carer Positive’, an employer recognition scheme operated by Carers Scotland on behalf of the Scottish government, with 70 companies recognised so far. To gain this recognition, employers are required to undertake a self-assessment process to demonstrate how they meet each of the three award levels: ‘engaged’; ‘established’; and ‘exemplary’.

One of the current ‘hot topics’ within EfC is carers’ leave. Although a small number of employers have developed carers’ leave schemes, this is still not common. One example is that of British Gas, which offers a ‘matched paid leave’ programme enabling an employee’s annual leave to be ‘matched’, with up to one month’s paid ‘carers leave’, in any given year. While it could be argued that the UK leads the world on many elements of working carer support, such as a right to request flexible working, in terms of statutory carers’ leave, other countries are much further ahead. There are established national schemes in Japan, Canada, Australia, Denmark and others (Carers UK, 2013; Eurofound, 2015).

As chair for the last nearly four years, I (Ian Peters) have overseen the widening of the membership of EfC to represent all sectors of the UK economy, large and small, public and private. EfC now has nearly 120 members. It ‘reaches’ over 1.25 million employees, at least 140,000 of whom are currently carers. This gives it both an authoritative and representative voice, and it is regularly invited to contribute
to national policy consultations and related initiatives. For example, EfC and carers UK participated in the Independent Advisory Group on Carers, whose role was to advise on the development of England’s National Carers Strategy (due to be launched in the spring of 2017). EfC and Carers UK also contributed to the UK government’s Department for Work and Pensions Fuller working lives strategy (noted earlier), launched in February 2017.

EfC has a growing number of small- and medium-size businesses (SMEs) as members. SMEs are critical as they constitute 70% of all private sector employment in the UK but often find it hard to offer carer-friendly policies as they tend not to have the required infrastructure. Paradoxically, their need to retain skilled employees is greater than in bigger organisations as the impact of their loss is disproportionately large. The limited engagement of SME managers in carer-related matters is often due to demands on the owner’s/manager’s time, lack of access to information and concerns about cost. The first two of these issues are beginning to be addressed through a combination of some large companies engaging their supply chain – many of whom are SMEs – in working carers’ initiatives and EfC’s own innovative ‘umbrella’ membership model. This model enables local authorities to access EfC resources and makes them freely available to SMEs within their locality. This facilitates SME engagement with working carer support, including through examples of good practice and policies, and helps create links between local authorities and SMEs. EfC is currently looking to offer a similar opportunity to local chambers of commerce, or trade associations, which have links with SMEs.

As in every walk of life, technology is opening up opportunities to help working carers, both in being productive members of the economy and to connect with other carers and with sources of advice and support. At least four issues are likely to be addressed more effectively over the next decade, enabling a step-change in supporting the working carer. These include: enhanced communications between working carers (eg via intranets and corporate social media platforms); greater engagement by line managers with carer employees; more remote caring via the use of co-carer apps and alert systems; and increased access to best practice, information and support via Web portals. A number of EfC member organisations already facilitate online carers’ networks, which can connect employees to each other for peer support. Some employers also provide access (as an employee benefit) to practical tools to help with caring, such as Carers UK’s care coordination ‘app’, ‘Jointly’ (see: www.jointlyapp.com).

One final point of note is that working carers are still largely seen as a human resources (HR) ‘problem’. When the so-called ‘C suite’ (senior corporate leaders) engage with working carers, it creates a number of positive outcomes. Chief executive ‘pull’ is more powerful than HR push – the two need to work in tandem. Visible championship from the boardroom drives the adoption of best practice across an organisation. An excellent example of this is Sainsbury’s, the UK’s second-largest retailer, with over 150,000 employees. Sainsbury’s has established a carers’ policy, communicating it to all its line managers through a network of diversity champions. This policy explicitly recognises the flexibility required to balance work and caring responsibilities, and includes four ‘Carer Days’ leave.

Overall, what has been achieved for working carers by EfC and other initiatives? Certainly, there is significantly higher awareness of the needs of working carers among employers, and greater commitment to the development of working carers’ policies;
there is also a growing number of examples of good practices. EfC has played a lead role in helping to gain this ground, but there is still much more to do.

Key challenges include: making the business case for retaining employees with lower levels of skill; extending the evidence base in relation to supporting younger carers; and helping carers return to work. SMEs struggle to gain access to practical information and advice, and there remains, among many, limited understanding of the business benefits of supporting working carers. Many working carers also lack information about caring as an issue, and about their rights and how to access support services. There are concerns among some employees that identifying as a carer may limit their career opportunities, especially in male-dominated environments. Among employers, the ‘costs’ of supporting working carers continues to be a barrier to engaging with carers’ issues.

A rise of 40% in the number of carers is predicted over the next 20 years (Carers UK, 2015a). This ‘translates’ into one in five (or six) of all employees being carers by 2037, and one in three of the 50–64 age group. Supporting working carers is a pivotal economic and social issue, and one that needs to be addressed as a matter of urgency. The long-term ambition of EfC is to achieve the same level of national cultural acceptance of, and policy and practice support of, working carers and their relatives that is today given to working parents and their children. Although considerable progress has been made, much remains to be done if we are to retain some of the most experienced members of the UK’s workforce, reduce premature departure from the labour market and secure a brighter future for working carers, employers and the economy.

Notes
1. Carers Allowance is a UK-wide state financial benefit (£62.10 per week in March 2017), payable to people caring for at least 35 hours per week for a person receiving a state disability benefit. To be eligible, the carer’s earnings from paid work must be under £110 per week, since April 2017 this has been £116 and the figure for CA has been £62.70 (after taxes, care costs while at work and 50% of their pension contributions) (see: https://www.gov.uk/carers-allowance/overview).
2. The £1.3 bn figure is from the LSE research by Pickard, L., cited in HM Government et al (2013) Supporting working carers: The benefits to families, business and the economy.
3. For an example, see: http://www.employersforcarers.org/resources/research/item/875-supporting-employees-who-are-caring-for-someone-with-dementia
4. The Independent Advisory Group on Carers was established to advise the UK government about its forthcoming National Carers Strategy in the year prior to the expected publication of the strategy.

References
Carers UK (2015a) Facts about carers, London: Carers UK.


