

# Employer Perceptions of Elder Care Assistance Programs

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**SUMMARY.** Little research has been conducted to evaluate employer-sponsored elder care service programs. This study assesses the perspectives of senior human resource and employee benefit managers at large U.S. corporations about nine types of elder care services. Survey responses were obtained from 115 employer officials. The majority of employers reported that elder care services help decrease

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absenteeism, manage employee stress, and boost productivity. Flexible work scheduling and leave programs were considered to have the greatest benefit for employee recruitment and retention. Utilization of elder care services remains low, impeded by lack of employee awareness about the services, inability to measure their impacts, and employer concerns about program costs.

**KEYWORDS.** Caregiving, elder care services, employee benefits, flexible work scheduling

## INTRODUCTION

Many U.S. employers offer benefit programs to help their employees deal with care responsibilities for aging dependents. These “elder care programs” take several forms ranging from resource and referral services to intensive individualized consultation by trained geriatric care managers. Despite the growing use of these programs, limited research is available concerning their costs, usage, and effectiveness. The Retirement Research Foundation commissioned this nationwide study to assess the types of programs currently offered by large employers, evaluating their impact on employees’ ability to remain productively employed while addressing elderly dependents’ care needs, and identifying best practices and recommendations for optimizing program effectiveness. This article reports on the first phase of this study, which involved surveying human resource and employee benefit managers from large corporations to gather their perspectives about elder care programs and services sponsored by their organizations.

American corporations first began to offer services to help employees deal with elder care needs in the late 1980s, sparked, in part, by increasing reports of difficulties in balancing elder care and work obligations (Piktialis, 1992; Piktialis & Morgan, 2003; Wagner, 2003). Most early elder care programs adopted by employers consisted of resource and referral services modeled after similar existing child care support programs. During the 1990s, many employer-sponsored elder care programs became part of broader “work-life” initiatives encompassing a wide range of work and personal life problems. Many of the elder care services were administered as part of existing Employee Assistance Programs (EAPs). Employers

also started to introduce elder care programs with additional types of interventions (often outside of EAPs) such as short-term emergency care and on-site adult day care facilities. It has been estimated that from 25% to 50% of employers now offer some form of elder care assistance services for their employees (CCH Inc., 2007; Human Resource Institute [HRI], 2004; Society for Human Resource Management [SHRM], 2007). Although many larger and progressive employers have adopted formal elder care programs, numerous workplaces, especially smaller ones, still do not provide elder care services.

Employers' interest in establishing elder care assistance programs reflects demographic changes in the composition of the U.S. workforce, with a growing proportion of older workers (older than age 50 years) and women, the groups most likely to be effected by elder caregiving needs. Employers also have been motivated to offer elder care programs by concerns about how employees' family caregiving obligations might compromise their work performance. For example, the need for employees to care for aging dependents can result in work absences, reduced productivity, and early retirement. The Society for Human Resource Management (SHRM) has characterized elder care as "a silent productivity killer" (SHRM, 2003). The *MetLife Study of Employer Costs for Working Caregivers* (Metropolitan Life Insurance Company, 1997) estimated that U.S. employers lose between \$11.4 and \$29 billion each year as a result of employee caregiving that interferes with work responsibilities.

More than 6 in 10 (62%) employed caregivers report that caregiving responsibilities have negatively affected their work performance (National Alliance for Caregiving and the American Association of Retired Persons [NAC/AARP], 2005). A majority of these individuals (57%) reported that fulfilling their caregiving responsibilities caused them to go into work late, leave early, or take time off during the day to provide care. Approximately 17% needed to take a leave of absence, 10% switched from full- to part-time status, 6% had to give up work entirely, and 3% chose early retirement because of their caregiving obligations. A 2004 study found that 83% of employer human resource professionals in large U.S.-based firms believed that employee demands for company-sponsored elder care programs will become more important over the next 10 years (HRI, 2004). Most (52%) of the respondents in this survey indicated they already have seen an increase in staffing problems, such as turnover, related to

balancing work responsibilities with elder care obligations. Approximately 21% of U.S. households care for an older family member, and 59% of caregivers are employed (NAC/AARP, 2005). Caring for an older relative has been estimated to consume an average of 12.0 to 13.5 hours per week and, on average, a caregiver bears these responsibilities for 6.5 years (Piktialis & Morgan, 2003).

Forty-four percent of Americans reported in 2003 that they worry about having to care for an aging parent or relative, more than double the proportion in 1988 (Pew Research Center for the People and the Press, 2003). Changes in older relatives' health or mental capacity or their ability to handle daily living activities can present significant stress for employees. Few employees have the time or expertise to determine the best care strategies for their elderly dependent, how to respond to an elder's changing needs, set up and manage multiple services, or monitor the care an elder may be receiving at home or within a care facility. The situation is even more problematic for employees when older relatives live far away, and for families in which adult partners work full-time.

The conflicts created by trying to fulfill work and caregiving functions can be a significant risk factor for depression, emotional strain, and increased mortality (Schulz & Beach, 1999; Schulz, Visintainer, & Williamson, 1990). Job disruptions stemming from working fewer hours than desired, taking time off without pay, being kept from looking for a job, and turning down a job due to caregiving can place additional stress on workers and their families. A study comparing the effects of child care and elder care responsibilities among employed caregivers showed that workers who care for older family members have more symptoms of anxiety, irritability, depression, and physical illness than those with providing care to children (Noe, Kossek, & Colquitt, 2001). Nearly one fourth (22%) of those employed caregivers indicated that their caregiving had an adverse effect on their health, and 16% reported that their health problems impaired their job performance. A 2004 study of employees providing care for ill dependents at a large midwestern bank found that caregivers were 31% more likely than noncaregivers to have been diagnosed with depression, and 84% more likely to have had depressive symptoms during the past 30 days, 26% more likely to have high levels of stress, and more likely to have sleep problems, be dissatisfied with life, use relaxation medication, be smokers, and have low levels of physical activity (Burton, Chen, Conti, Pransky, &

Edgington, 2004). Employees and their families also suffer considerable financial hardship as the result of their caregiving functions. A 1999 study conducted by NAC and the National Center on Women and Aging at Brandeis University found that working caregivers suffer significant losses in career development, salary and retirement income, and incur substantial out-of-pocket expenses as a result of caregiving activities.

Despite the mounting recognition that employee caregiving can have significant effects on human resource management and corporate performance, there is still a scarcity of information available concerning the use of elder care programs at American businesses. Estimates vary widely concerning the extent of elder care program adoption by employers, in part because there are many varieties of elder care services and also because the vast majority of these programs exist only at large corporations that have sufficient resources to offer them as an employee benefit. A survey of 975 major employers by Hewitt Associates in 2003 estimated that approximately 50% of large companies offer some form of elder care program. That survey found that the most common types of employer-sponsored elder care benefits were dependent care spending accounts, offered by 38% of large employers, and resource and referral programs (33%).

SHRM's 2007 Benefits Survey of 590 human resource professionals found that 22% of all employers currently offer elder care referral services, down from 26% in 2006 (Fegley, 2007). Among employers with more than 500 workers, 36% offer elder care referral services. According to the SHRM survey, a larger proportion offer related services such as dependent care flexible spending accounts (76% of all employers), flextime arrangements (58%), elder care leave beyond federal or state Family Medical Leave Act provisions (16%), and access to emergency backup elder care services (4%).

Results of an earlier SHRM survey conducted in 2003 showed that 42% of respondents agreed and 5% strongly agreed that providing elder care benefits helps to recruit and retain employees (Burke, 2003). Only 6% of respondents to that survey indicated that their company has a specific policy addressing elder care issues, and 11% reported that their organization trains managers to understand and deal with employees' elder care concerns. Respondents indicated that the greatest barrier to establishing elder care programs was cost, with nearly 40% of human resource managers indicating that elder care programs were too costly for their organization and one-third

saying that they believed there would not be enough employees utilizing elder care benefits to justify establishing the programs (Burke, 2003). Indeed, evidence suggests that utilization of such programs is relatively low, with only about 2% to 3% of eligible employees using the services each year (Frederico, 2004; Levy, Pickering, Gaston, & Eldercare Task Force, 2003; Wagner & Hunt, 1994).

Some studies have attributed the low utilization of elder care programs to inadequate employer communications and lack of employee awareness about the programs. That was the conclusion of the U.S. Office of Personnel Management (OPM) who questioned 1,472 employees and 138 work-life counselors at federal agencies and found that though 61% of federal agencies offer some form of elder care program and 40% of the agencies have had their program in effect for at least 5 years, only 34% of employees reported that they were familiar with the elder care assistance available from their agency (OPM, 2002). OPM surmised that lack of effective communication and employee knowledge of the programs inhibited program participation and that better information about available program services and benefits is needed. Their sentiment was echoed by findings from a series of focus groups of caregiving employees by the New York Business Group on Health (NYBGH) (Levy et al., 2003). Numerous comments by focus group members prompted NYBGH to conclude that "Poor communication about the availability of elder care services is clearly linked to low utilization. Better benefits communication is critical if employers are to reach those employees who have the greatest need for elder care services" (p. 7).

Only a few systematic studies have been conducted to measure the effectiveness of elder care services. Researchers from the Wharton School at the University of Pennsylvania have determined that the provision of elder care services by employers increases the average retirement age for men by 7.8 months and by an average of 1.3 months for women (Mulvey & Nyce, 2005). Wagner and Hunt's (1994) small pilot study of employer-sponsored elder care programs was based on interviews with 115 employed caregivers, 60 of whom had used their employer's elder care services and 55 who had not. The researchers found that compared to nonusers, employees who had used elder care programs were more likely to be involved making service arrangements and assisting in insurance paperwork rather than providing "hands-on" care. Possibly because their elderly dependent had a more serious condition, program users were more

likely to report that caregiving interfered with work and were more likely to have missed time from work because of their caregiving responsibilities. Program users also reported that they were more comfortable talking with their supervisor at work about their caregiving activities than were nonusers.

Many questions remain unanswered about employer and employee perspectives on elder care programs and about their usefulness in allowing individuals to remain productively employed. To date, there have not been any attempts to gauge the costs of the various services relative to their utilization and benefits. The study reported in this article takes a first step in this direction by ascertaining employer viewpoints about the relative advantages and costs of various forms of elder care services. Subsequent phases of this study will assess employee perspectives about the effects of elder care programs on work performance and promoting better care for their elderly dependents.

## ***METHODS***

This cross-sectional observational study surveyed senior human resource officials of large corporations in the United States about their perspectives of elder care service programs. The survey was conducted in the spring and summer of 2007. All of the corporations surveyed were among the largest 500 American companies as determined by *Fortune* magazine for 2007. Contact information for appropriate individuals at 474 of the companies on that list was obtained. A letter describing the study aims and procedures was sent by e-mail and conventional mail to the senior corporate Human Resources executive as identified in annual company reports or the corporate Website. The letter included an Internet link to complete the survey online. Also, respondents could request a paper version of the survey to be sent by conventional mail. The Web-based questionnaire was developed using Question Pro Survey Software. The letter and Internet site included assurances of confidentiality, and a consent process indicating the voluntary nature of the survey and the individual's right to refuse to participate.

Responses were obtained from 176 corporate representatives (37.1%). Of those, 61 refused to participate or provided incomplete responses that were not suitable or sufficient for inclusion in the final

survey statistics. The analytic sample includes responses from 115 corporate human resource and benefits officials, representing approximately 24% of the corporations. Table 1 summarizes respondents' job titles and the size of the participating corporations.

The questionnaire collected information in 13 areas including basic information about the employer and respondent; current, past, and projected future offering of elder care services; reasons for offering, not offering, or discontinuing programs; program staffing (e.g., in-house staff or use of commercial service organizations); perceived extent of service use by eligible employees; program costs, benefits, and drawbacks of each type of service; and ideas about how programs can best be improved. The questionnaire consisted of multiple-choice responses along with free-text narrative comments. Respondents were queried about the nine varieties of elder care service described in Table 2. Descriptive statistics were generated using Question Pro analysis and reporting functions supplemented by additional analyses using Microsoft Excel 2003.

Employers' perceived utilization of elder care services was assessed in three response ranges. Low utilization was defined as less than 2% of eligible employees using the service annually, medium utilization was defined as 2% to 5% of eligible employees using the service per year, and high utilization as use by more than 5% of eligible employees annually. Respondents' perspectives on the cost of providing each type of service were assessed on a scale of high to low,

TABLE 1. Respondent Characteristics ( $N=115$ )

Respondent Job Title	Percent
Corporate Human Resources Manager	3.5
Corporate Employee Benefits Manager	53.0
Corporate Work-Life Manager	8.7
Senior Human Resources Staff	2.6
Senior Employee Benefits Staff	20.9
Other	11.3
Employer Size (Number of U.S. employees)	
<1,000	0.0
1,000–4,999	8.7
5,000–9,999	17.4
10,000–49,999	53.0
50,000–99,999	12.2
100,000 or more	8.7

TABLE 2. Types of Employer-Sponsored Elder Care Services

Program Type	Operational Definition
EAP Elder Care Counseling	Elder care advice integrated into an Employee Assistance Program (EAP). Usually short-term crisis intervention, with provision of counseling, educational information, and referrals to community resources. These programs can be contracted out to professional service vendors or be provided by in-house staff.
Elder Care Resource and Referral Services	Employer-sponsored program that focus specifically on providing employees with elder care issues, usually provided by trained elder care specialists, involving counseling and support, educational information, referrals to community resources, and sometimes, specific referrals matched to employee needs. These services are usually contracted out to professional service vendors, but can be provided by in-house staff.
Elder Care Management Services	In-person services provided to employees and their families by credentialed geriatric case managers that may include face-to-face assessment and care planning, review of elder care facilities, respite care, and telephone or in-person services. Care management services are typically provided along with the customary resource and referral services described above.
Dependent Care Flexible Spending Account (FSAs)	Employee benefit programs that allow employees to use their pretax earnings to pay for day care or other care for dependent elders (or dependent children), that meet IRS guidelines for eligibility. Employers may also provide a partial contribution (a company "match") to the spending account.
Dependent Care Reimbursement Programs	Employer-sponsored financial benefit programs in which the employer pays for reimbursement of day care or other care provided for dependent elders, up to a maximum number of days of care and amount per day based on the employer's specific benefit plan. Usually, the benefit levels are set so as to be sufficient for covering emergency short-term care needs.
Long-Term Care Insurance for Employees' Elderly Dependent	Employer-sponsored or subsidized long-term insurance programs to cover part of the cost of providing nursing home and other long-term care (e.g., home-based care) for employees' elderly dependents, usually requiring employee cost sharing.
Flexible Work Scheduling and Leave Programs	Employer flexible work scheduling, time-off, and leave programs aimed at helping employees attend to the care needs of their dependents, including elderly dependents.

*(Continued)*

TABLE 2. Continued

Program Type	Operational Definition
Emergency Short-Term Elder Care	Employer-sponsored benefit programs that provide short-term or back-up care for elderly dependents of employees, usually provided through prior arrangement with a day care center or home care provider organization.
On-Site Adult Day Care Facilities	Adult day care facilities at the employer's site (or in the community, with reserved slots) for employees' elderly dependents, sometimes also combined with child care facilities.

with high cost defined as being an employer expenditure of more than \$100 per eligible employee per year, medium cost defined as \$10–\$100 per eligible employee per year, and low cost defined as less than \$10 per eligible employee per year. The criteria for defining utilization and cost categories were selected on the basis of previously published reports and personal knowledge by research team members of elder care program cost and utilization trends.

To derive a rough estimate of the relationship between utilization and cost, we derived a *usage-to-cost ratio* for each type of service, defined as the ratio of the proportion of respondents rating a service as high or medium annual usage to the proportion of respondents rating a service as high or medium cost. We interpret the resulting ratio as a measure of employers' views about the relative relationship between usage and cost of a particular service, such that a higher ratio (i.e., a ratio above 1.0) represented a better value (i.e., a more positive relationship between the use of a service and the money spent to pay for it) and a lower ratio (i.e., below 1.0) represented a relatively worse value. This ratio was based on a consideration of usage and cost only, not on service effectiveness.

Employer perspectives about the principal benefits of each type of service were obtained in six response categories: (1) aids in recruitment; (2) helps in retention; (3) decreases absenteeism; (4) addresses employee stress; (5) boosts productivity; and (6) a free-text "other" response option. Perspectives about the main drawbacks of each service were also obtained in six response categories: (1) too expensive; (2) not enough need; (3) difficult to administer; (4) hard to assess the impact; (5) doesn't affect employee performance; and (6) a free-text "other" response option. Open-ended narrative

responses were also obtained to assess employers' perspectives about how to potentially improve program administration and effectiveness.

## ***FINDINGS***

The vast majority (86.1%) of the large corporations surveyed offer some type of elder care service to all of their employees, and nearly all (95.7%) offer at least some of their employees elder care services. As indicated in Table 3, first the most common type of service offered is elder care counseling provided through an EAP, offered by 69.6% of employers to all of their U.S. employees. Dependent care flexible spending accounts covering elderly dependents were offered by 57.5% of large employers to all their employees and another 26.1% offered it to some of their employees. Flexible work scheduling and leave programs, provided by 67.9% of employers to all or some employees, and elder care resource and referral services (54.8%) were also commonly offered.

Less than 15% of survey respondents reported providing elder care management services, elder dependent care reimbursement accounts,

**TABLE 3. Percentage of Large Employers Providing Various Types of Elder Care Services (*N* = 115)**

	Offered to All Employees	Offered to Some Employees	Considering Offering this Service	Discontinued Offering this Service
EAP elder care counseling	69.6	10.4	0.9	2.6
Elder care resource & referral services	44.4	10.4	1.7	0.9
Elder care management service	8.7	0.9	9.6	3.5
Dependent care flexible spending accounts	57.4	26.1	1.7	0.9
Dependent care reimbursement programs	12.2	2.6	6.1	3.5
Long-term insurance for elder dependents	26.1	13.9	4.3	2.6
Flexible work scheduling & leave program	38.3	29.6	2.6	1.7
Emergency short-term elder care	8.7	3.5	5.2	3.5
On-site adult day care facilities	0.0	0.0	6.1	3.5

and emergency short-term elder care. Although the use of intensive elder care management services is not widespread, almost 10% of respondents are considering introducing that benefit, making it the most frequently cited service currently under consideration. None reported having on-site adult day care centers, although 6.1% are considering the idea and 3.5% report having had centers previously. As no employers had on-site adult day care facilities, statistics for that service are not included in any of the subsequent tables.

Table 4 summarizes employers' perspectives about the benefits of various elder care services. Flexible work scheduling and leave programs were viewed as most beneficial for employee recruitment and retention. Although most respondents (57.1%) thought that flexible scheduling and leaves help to recruit employees, only a small minority of respondents (ranging from 17.4% to 27.3%) perceived that any other type of service is helpful in that regard. For retaining employees, flexible work scheduling and leave programs were thought to be most beneficial (by 63.6% of employers), followed by elder care management services (45.5%) and long-term care insurance for

TABLE 4. Employer Perceived Benefits of Elder Care Services, Percentage of Employers Responding (total  $N=115$ )

	Aids in Employee Recruitment	Helps in Employee Retention	Decreases Absenteeism	Decreases Employee Stress	Boosts Productivity
EAP elder care counseling	17.4	26.1	57.6	85.9	56.6
Elder care resource & referral services	15.9	22.2	58.7	82.5	63.5
Elder care management service	27.3	45.5	81.8	81.8	81.8
Dependent care flexible spending accounts	18.4	27.6	60.9	90.8	59.8
Dependent care reimbursement programs	16.9	23.7	62.7	88.1	67.8
Long-term insurance for elder dependents	27.3	45.5	81.8	81.8	81.8
Flexible work scheduling & leave program	57.1	63.6	57.1	68.8	50.6
Emergency short-term elder care	21.4	35.7	71.4	64.3	71.4

elder dependents (45.5%). EAP elder care counseling, elder care resource and referral, and dependent care reimbursement programs were considered to have limited benefit for employee recruitment and retention.

The majority of respondents reported that all the types of elder care services help to decrease absenteeism, decrease employee stress, and boost productivity. Elder care management services and long-term care insurance for elder dependents were thought to be the most beneficial for decreasing employee absenteeism. Dependent care flexible spending accounts and dependent care reimbursement programs were viewed as the most beneficial for decreasing employee stress. Long-term care insurance and elder care management services were perceived as doing the most to boost productivity, followed by emergency short-term elder care and dependent care reimbursement programs.

Respondents were also asked to identify drawbacks or problems associated with each type of elder care service, but few drawbacks were reported. The main problem cited was the inability to measure the benefits and cost-effectiveness of the services. Of 360 drawbacks reported for the various types of elder care services, difficulty in assessing the impact of the service was mentioned 172 times, accounting for 47.8% of reported drawbacks. Insufficient employee demand for the services was the second most often mentioned problem (13.9%).

Perceptions about the use and cost of elder care services are summarized in Table 5. Flexible work scheduling and leave programs received the most utilization, with 71.7% of employers reporting high or medium usage of those programs by employees. Other than flexible work scheduling and leave programs, no more than 16.7% of respondents reported high usage for any service. For example, among companies with EAP elder care counseling, 78.6% reported low usage, among those with elder care resource and referral programs, 68.3% reported low usage, and among companies with elder care management services, 80% reported low usage, where "low usage" was defined as less than 2% of eligible employees using the service annually.

Emergency short-term elder care was perceived as the service with the highest cost, with 25% of employers estimating that the cost averaged more than \$100 per eligible employee per year, followed by long-term care insurance for elderly dependents (21.4%), and elder

TABLE 5. Employer Perceived Use and Costs of Elder Care Services (%'s), and Use-to-Cost Ratio ( $N=115$ )

	High Use	Medium Use	High Cost	Medium Cost	Use to Cost Ratio <sup>a</sup>
EAP elder care counseling	4.3	17.1	2.8	38.9	0.51
Elder care resource & referral services	5.6	25.9	5.5	32.7	0.82
Elder care management service	0.0	20.0	18.2	54.5	0.28
Dependent care flexible spending accounts	16.7	37.2	4.3	44.9	1.10
Dependent care reimbursement programs	16.7	38.9	5.6	38.9	1.25
Long-term insurance for elder dependents	3.2	9.7	21.4	7.1	0.45
Flexible work scheduling & leave program	32.1	39.6	10.8	18.9	2.41
Emergency short-term elder care	0.0	11.1	25.0	50.0	0.15

<sup>a</sup>Use-to-cost ratio = % employers reporting high or medium use/% of employers with high or medium cost.

care management services (18.2%). Services estimated to have the lowest costs (less than \$10 per eligible employee per year) included long-term insurance for elder dependents, reported by 71.5% of employers, flexible work scheduling and leave programs (70.3%), and elder care resource and referral services (49.2%). The highest usage-to-cost ratios, indicating a relatively high level of usage compared to cost, were obtained for flexible work scheduling and leave programs (ratio = 2.41), dependent care reimbursement programs (1.25), and dependent care flexible spending accounts (1.10). The lowest usage-to-cost ratios, indicating a relatively low level of usage compared to cost, were obtained for emergency short-term elder care (ratio = 0.15), long-term care insurance (0.45), and EAP elder care counseling (0.51).

### QUALITATIVE TEXTUAL COMMENTS

The survey questionnaire was purposely designed to allow considerable opportunity for free-form textual comments by respondents. This permitted us to obtain additional perspectives about the reasons underlying employers' responses to multiple-choice survey questions and encouraged the respondents to expound more fully about their companies' elder care programs. A total of 327 textual

comments were obtained, an average of 2.8 comments per respondent. Most of the comments were concentrated around three main themes: (1) the need for better education of employees concerning the availability of the services and how to use them effectively; (2) the need to change corporate culture so that supervisors do not discourage employees from using the services; and (3) the barriers to adopting elder care programs stemming from their perceived high cost and relatively low usage.

Respondent comments about educational needs related both to educating employees and educating corporate managers and supervisors. Typical comments from human resource and benefits managers included:

- “We need to make employees aware that these services are available.”
- “Better communications is needed about how the benefit works.”
- “More promotion of these programs is needed during annual enrollment.”
- “Better training [about the services] is needed for managers.”

Several respondents observed that managers and supervisors are sometimes not supportive of elder care services. One human resource manager observed that “supervisors can discourage employees from using these programs.” The main problem noted was that supervisors may view these programs as detracting from workers’ work performance, especially with regard to flexible work scheduling and leaves for family care. In the words of one respondent, “Current management is not receptive to flexible work arrangements,” and another wrote “More managers need to approve flexible work arrangements when requested.” A human resources manager mentioned that the company should “make supervisors understand the potential productivity increases” that can result from employees’ use of the available elder care benefits. Another suggested that “a more consistent approach by managers and leaders is needed” with respect to encouraging employee participation in elder care programs.

Concerns about low participation and perceived high costs of the programs were mentioned by several respondents. One wrote that, “we conducted an excellent campaign to roll out this plan, but we had very low participation.” Another commented that the company needs to see “either a lower cost or demonstrated savings so that the program can be implemented.” Several other respondents noted

that the services need to be “less expensive” or “better subsidized.” A benefits manager indicated that the “sharp rise in health care costs” is curtailing the company’s ability to offer elder care services. Several respondents mentioned an inability to document cost savings as a significant impediment to expanding elder care services.

## *DISCUSSION*

This study provides new information about the current elder care services offered by large U.S. corporations as of 2007 and the perspectives of senior managers about the benefits and drawbacks of those services, their comparative costs, which plans are being considered for adoption, and qualitative assessments about the strengths and weaknesses of the various services. This information should prove useful for employers and commercial vendors of elder care services, as they consider the types of services to be offered, the kinds of advantages and problems to expect from each service type, and the mix of services that are appropriate for their workforce. As further phases of this research study collect comparable information from employee users of the services, a more complete picture will emerge of the role of employer-sponsored programs in addressing employees’ caregiving needs, and the programs’ effectiveness in helping workers meet the challenge of caring for aging dependents while staying productively employed.

Because there has been a limited amount of systematic research concerning employer-sponsored elder-care programs, a large variety of different types of care approaches were included in this investigation. A list of nine types of elder care services were developed and defined so that respondents would have a clear idea about how to categorize the services and recognize their distinctive features. Some of those approaches involved the providing of information and personalized advice (e.g., EAP elder care counseling, elder care resource and referral, and elder care management services), and some are insurance and financing arrangements (dependent care flexible spending accounts, dependent care reimbursement programs, and long-term insurance for elderly dependents), while others are based on work scheduling (flexible work scheduling and leave program) or on arranging for care at particular facilities (emergency short-term care and on-site adult day care facilities). There is currently no

uniform system nationally for classifying the various types of elder care service or to clearly distinguish those services from similar child care programs or from other work-life benefits. Although initially we had concerns about whether our attempts to clarify and categorize the varieties of elder care services would be easily understandable, we were gratified that respondents appeared to comprehend the survey questions well and answer them appropriately. None of the over 300 textual comments we received indicated any confusion among respondents about terminology or program elements. We hope that the categorizations and definitions used in this study will be helpful for others in this field, including employers, service providers, employees, and elders needing care, as well as for researchers and government officials who are looking for a systematic way of classifying available employer-based elder care services.

Although some type of elder care service is offered by the majority of large employers, this study corroborates previous evidence that the overall usage of these programs appears to be relatively low. This is especially true for the type of specialized elder care approaches represented by EAP elder care counseling, elder care resource and referral services, and elder care management services, for which a large majority of corporations (78.6%, 68.5%, and 80.0%, respectively) reported that utilization by eligible employees is less than 2% annually. Low utilization was perceived to be, in part, a function of limited awareness about the elder care benefits among employees and supervisors, cost of the services, and, in some cases, lack of support from management.

Despite the perceived low utilization, senior managers responding to this survey generally thought that the services can have substantial benefits when used. A majority of respondents believed that all the varieties of elder care services help decrease employee stress, decrease absenteeism, and boost productivity. There was less general agreement about whether elder care benefits play a useful role in employee recruitment and retention. In that respect, flexible work scheduling and leave programs were thought to have the greatest advantage. This finding is consistent with results of the 2005 National Study of Employees, which showed that many employers adopt flexible leave programs to help recruit and retain employees (Bond, Brownfield, Galinsky, & Kim, 2005). Except for flexible scheduling and leave programs, though, most companies did not believe that elder care services aid in employee retention or recruitment.

Results from this survey suggest that the more intensive forms of elder care service, such as on-site adult day care, emergency short-term care, and elder care management services, have not been widely adopted among large U.S. corporations. Other than the high cost, the inability to rigorously assess the impacts of these programs has also likely impeded their more widespread adoption. Long-term insurance for care of aging dependents, although offered by over 40% of the corporations surveyed, was perceived to be seldom used, with 87.1% of respondents reporting low usage of this benefit.

The overall picture that emerged from this study was that most large corporations have accepted the idea that elder care services are useful and should be provided as a potential benefit to employees. Although numerous advantages of the programs were noted, especially with respect to their use in managing employee stress, decreasing absenteeism, and boosting productivity, there is still uncertainty about their ultimate value for employers. Use of most services remains low, with lack of awareness of the services by employees, inability to measure program impacts, and concerns about costs being the three most important factors responsible for the low utilization. However, employers' decisions whether to offer particular services are likely to be more strongly influenced by considerations about costs and the ability to measure program impacts than by the actual use level by employees.

### ***Study Limitations***

This study is based on self-reported information provided by corporate personnel. The data were not independently verified or matched with employee administrative records. Because respondents were senior corporate human resource, employee benefits, and work-life managers, we expect that they have access to corporate records and are the most well qualified individuals to answer the questions posed in this survey. Their perceptions, though well informed, might not be entirely accurate. We have attempted to emphasize throughout this article that that this study is designed to measure employers' *perspectives* about the elder care services.

We were able to obtain information from 115 representatives of America's largest companies, which allowed for a diversity of viewpoints and corporate orientation. Our response rate of 28% is comparable to other surveys conducted of corporate senior management but is still lower than many population-based surveys.

All the companies were very large, multisite corporations, and the distribution of size and geographical location among the responding and nonresponding corporations was similar. It is reasonable to speculate that responding corporations were perhaps those that were more interested in elder care issues, or more likely to offer such services than corporations not responding. Thus, any generalizations from these data about the availability or adoption of elder care services at large corporations nationally should be tempered with caution. However, it is less likely that there are systematic differences among responding and nonresponding corporations that offer elder care services, concerning the relative use, cost, or benefits of those services. There are no data sources available nationally summarizing which kind of elder care programs are offered by specific large corporations, and thus no way to directly compare responding and nonresponding employers on that dimension.

We also were not able to directly measure service effectiveness in this survey. Effectiveness of services, rather than usage or cost, is best evaluated among service users; that is, the employees and their elderly dependents. Our research team is conducting a follow-up study of elder care survey users for that reason. The metrics employed in this study (including cost, usage, and effects related to employee retention, recruitment, and productivity) were selected as those program characteristics that would be most appropriate and amenable to response by employer management personnel.

Our development of a “usage-to-cost” ratio is based on existing literature suggesting that employee management is deeply concerned about the cost of elder care service programs relative to their perceived limited usage. We did not expect that most employers would have specific cost per employee or precise utilization data available, nor quantified measures of service effectiveness, for the reasons mentioned above. The ratio thus was based on employers’ perceptions about a general range of utilization compared to a general range of cost for each particular service, and it is best interpreted in a qualitative sense as a rough indicator of value for the employer.

## **CONCLUSION**

The American workforce will continue to age during the coming decade. As a result, the number of workers dealing with care issues

for elderly dependents will keep growing. It is likely that in the United States many employers, particularly large corporations with substantial resources, will continue to offer some form of elder care programs. Employers will need better data on the relative merits of the various elder care services, program costs, and information about which services provide the best value and effectiveness. Additional research, such as that provided in this study, will be important to employers as they help affected workers develop strategies to address caregiving needs while staying productively employed.

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