

Time-Outs Take an Increasing Toll on Women's Careers Finds New Study from the Center for Work-Life Policy

New York, New York, May 18, 2010—The long-term penalty for women taking a timeout from their career has worsened since the recession finds a new study from the Center for Work Life Policy. 3,420 professionals were surveyed for the study in spring 2009 by Harris Interactive under the auspices of the Center. The findings were announced last night at *The New York Times* auditorium with presentations by Sylvia Ann Hewlett, one of the authors of the study and Founder and President of The Center for Work Life Policy, and Lisa Belkin, the author of the *New York Times Magazine* cover story “The Opt-Out Revolution” which caused a media firestorm about time-outs from careers (“off-ramping”) in 2003 and inspired the Center’s first study of the trend in 2005.

Since the recession, the study found, timeouts or “off-ramping” from a career for childcare or other reasons have become increasingly unaffordable to women whose income has become increasingly important to family budgets. Getting back into the workforce after a timeout has become even more difficult. **73% percent of women trying to return to the workforce after a voluntary timeout for childcare or other reasons have trouble finding a job. Those who do return lose 16 percent of their earning power and over a quarter report a decrease in their management responsibilities and 22 percent had to step down to a lower job title.** And many women can’t sustain the increased hours at most jobs today when saddled with an uneven share of family childcare and household responsibilities. Unless companies facilitate off-ramping and on-ramping more effectively, women’s earning power and promotion opportunities will never measure up to the linear, lock-step progression of male careers. And over the long term, companies will lose out on the valuable contributions of women, who represent 58% of the highly credentialed talent pool.

“As women experience difficulty getting back on the career track, confidence and ambition stall, and many women end up downsizing their dreams,” says Hewlett. “Five years after the original study, this research continues to have profound implications: off-ramps and on-ramps are here to stay and employers should sit up and pay attention—or suffer the consequences of sidelining and side-swiping 58 percent of the highly credentialed talent pool.”

Key Findings of the Study Include:

- In the past five years, the number of women who took an off-ramp fell from 37 percent to 31 percent. The average length of an off-ramp rose slightly from 2.2 years to 2.7 years.
- The decline in off-ramping is likely due to the down economy: 15 percent of women currently in the workforce would like to off-ramp but can’t afford to.
- 58 percent of women have taken a scenic route and switched to a part-time, reduced time or flex-time schedule in order to balance work and family.
- Family “pull” factors remain the top reason for career downshifting. The number of women leaving for childcare issues increased from 45 percent in 2004 to 74 percent in 2009.

- Frustration and thwarted ambition is a common “push” factor: 26 percent of women who off-ramped felt their careers were not satisfying; 16 percent felt their careers had stalled.
- Women lack support from senior colleagues: 89 percent don’t have a sponsor to move them forward in their careers, 68 percent lack mentors and 61 percent lack role models.
- A full 69 percent of women say they wouldn’t have off-ramped if their companies had offered flexible work options such as reduced-hour schedules, job sharing, part-time career tracks or short unpaid sabbaticals.
- 54 percent of off-ramping women left without even discussing flex options with their supervisor.
- Although 89 percent of off-ramped women want to resume their careers, only 40 percent successfully return to full-time work.
- Only 9 percent of on-ramping women want to go back to the company where they used to work. In 2004 the figure was 5 percent.
- Women in 2009 were 28 percent more likely to have a nonworking spouse than they were five years ago. Nearly 40 percent of working women out-earn their spouses.
- The second shift is alive and well: 60 percent of full-time working women routinely perform more than half of the domestic chores and 56 percent take charge of childcare.
- Driven by a tight economy women are working longer hours: 49 hours per week, up from 40 hours per week in 2004.

How should companies respond to the trend in off-ramping to retain female talent?

69 percent of participants in the survey said they wouldn’t have left if their companies had offered one or more specific work-life balance options, such as reduced-hour schedules, job sharing, part-time tracks, short unpaid sabbaticals, and flextime. Even when companies offer work-life balance options, they often fail to adequately publicize them to their employees: 54 percent of women left without discussing their options with their supervisor. And many companies fail to adapt incentives to the different values of women who rate high-quality colleagues, job security, the ability to “be myself,” flexible work arrangements, the chance to collaborate with others, an opportunity to give back to the community, and recognition higher than compensation.

Such problems with off-ramping have proven and relatively inexpensive solutions. Since 2005 more than 50 corporations and organizations around the world have initiated on-ramping programs to help women re-launch their careers.

Proven action steps companies can take include:

- Provide “scenic routes” – Temporary flextime or part-time opportunities that keep off-ramped women on their career track
- Create flextime work options over the arc of a career
- Re-imagine work-life balance
- Help women claim and sustain ambition
- Tap into altruism – Data shows that work opportunities to give back to the community are a primary motivator for professional women.
- Combat the stigma associated with flexible work arrangements

Included in the study report is information on on-ramping programs at such companies as Accenture, American Express, Bank of America/Merrill Lynch, Best Buy, Cisco Systems, Citi, Deloitte, Deutsche Bank, Ernst & Young, General Electric, General Mills, Goldman Sachs, Intel, KPMG, Moody's, Pfizer, and Siemens.

About the study and the Hidden Brain Drain Task Force

This study, titled *Off-Ramps and On-Ramps Revisited*, is authored by Diana Forster, Sylvia Ann Hewlett, Laura Sherbin, Peggy Shiller and Karen Sumberg from the Center for Work-Life Policy. It's the sixth piece of research completed by the Hidden Brain Drain Task Force, founded in 2004 by Sylvia Ann Hewlett (Center for Work-Life Policy and Columbia University), Carolyn Buck Luce (Ernst & Young) and Cornel West (Princeton University). The mission of this private sector task force is to identify, develop, and promote a second generation of corporate policies and practices that support the ambition, work and life needs of highly qualified women and minorities. The 56 global companies that comprise the task force—representing four million employees and operating in 190 countries around the world—are united by an understanding that the full utilization of the talent pool is at the heart of competitive advantage and economic success.

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