

# Debunking 10 Paid Parental Leave Myths

Let's breakdown 10 common paid parental leave (PPL) myths!

## 01 Companies don't need it and employees don't want it.

Paid parental leave is a crucial program for today's family-friendly workforce. It's a top 3 requested policy and aids in talent retention since inadequate family benefits lead to high and preventable turnover. Many companies are already using paid parental leave as a way to recruit and retain talent, out-competing larger organizations.



**33%**

only 33% of employees describe their work culture as "family-friendly"<sup>1</sup>



**60%**

of workers would leave their job to find a role that offers better employee benefits<sup>2</sup>

## 02 There are existing options available to use.

Currently, there are three options available for employers, so here's what you may be doing now: do nothing, use private policies or self-fund, or rely on state programs. Unfortunately, these options are expensive and may only be available in a handful of states, which means many companies do nothing. Employees are left without access to parental leave, or jump to employers who offer it.

## 03 Existing STD, SDI, or PFL programs are enough.

State Disability Insurance (SDI), Short Term Disability (STD) or Paid Family Leave (PFL) programs do not cover all parents. If employees don't have access to state benefit programs or STD, then their other options are to use paid time off, vacation days, or self-funded plans. This leads to inequitable policies across states, exclusions for LGBTQ+ and non-birthing parents, and a lack of support before, during and after leave.

	Self-Funding Expensive + Risky	PFL Limited + No Support	Parento Customizable Solution
Budgeted cost for paid parental leave	X	X	✓
EEOC compliant policy	X	Only in 9 states + D.C.	✓
Integrated LOA management	X	X	✓
Detailed payroll calculations	X	X	✓
Tailored employee coaching	X	X	✓
Comprehensive portal + reporting	X	X	✓
Tax deductible expense	X	X	✓
Return to full-time work rate	60%	50 - 60%	95%

## 04 Companies only need to offer paid parental leave to moms, not dads.

All parents take parental leave, not just moms. Many companies try to get around not offering paid leave to dads with “primary” and “secondary” caregiver language in their policies, but they’re unequal or insufficient. These policies disproportionately impact non-birthing parents. Not offering equitable paid leave to all parents no matter their gender or identification is discriminatory and may land you in hot water. That’s why Parento has built-in EEOC compliance into policies to insulate you from potential risk.

Bonding claims filed by men in 2022, by Paid Family Leave Program:



**183%**

Since 2018 paternity leave work absences have increased 183%<sup>1</sup>

## 05 National PPL is right around the corner, so we’ll wait.

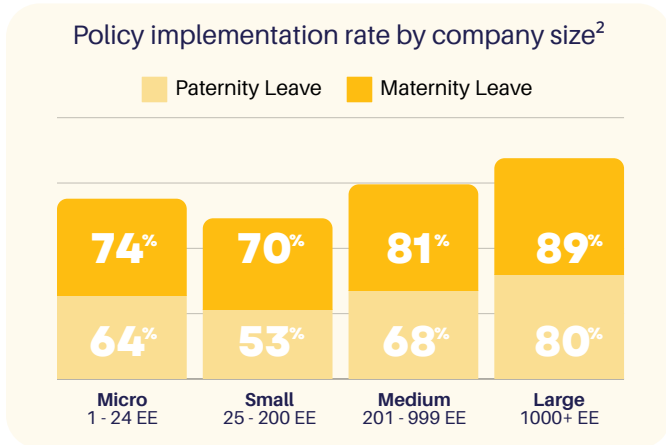
As much as national paid leave has made headlines, we aren’t close enough to rely on this. Implementing widespread legislation for national paid leave is not as straightforward or as close to reality as hoped. Program structures, funding, and getting state buy-in present significant challenges to pushing it forward, with no equitable solution for parents now. [Read a detailed analysis on national leave here.](#)

## 06 My company can’t afford to offer PPL; it’s just too expensive.

Many companies try to budget the costs of offering paid parental leave on their own, by topping-up pay or just continuing salary. Parento makes it affordable, at a fraction of the cost of short-term disability coverage. Our program offers 3-for-1 value for premiums and tax benefits for employers. Under the policy, the company is reimbursed directly for any parental leave salary expenses so they’re able to manage and budget for costs.

## 07 My company is too small to offer PPL.

Offering paid parental leave enables smaller companies to outcompete larger firms for talent and benefit from increased loyalty, a reduction in preventable turnover, brand and image boost, and culture-building. Parento is available to companies with just 10 full-time employees, and continues to become a top policy, regardless of company size. Review policy implementation rates by employer size from the Best Place for Working Parents 2023 National Trends report.



## 08 PPL is only offered at tech companies, global enterprises, or fancy start-ups.

Paid parental leave was once seen as a luxury only for high-tech industries competing for high-value talent, but its since become table stakes for [all industries now](#). Many blue-collar employers now designate access to parental leave as a standard offering, and it remains a top 7 policy and offering in the vast majority of industries.

Industries where Parental Leave is a top 7 offering<sup>2</sup>

- Manufacturing + Warehousing
- Professional Services
- Business + Finance
- Construction + Utilities
- Government + State Agencies

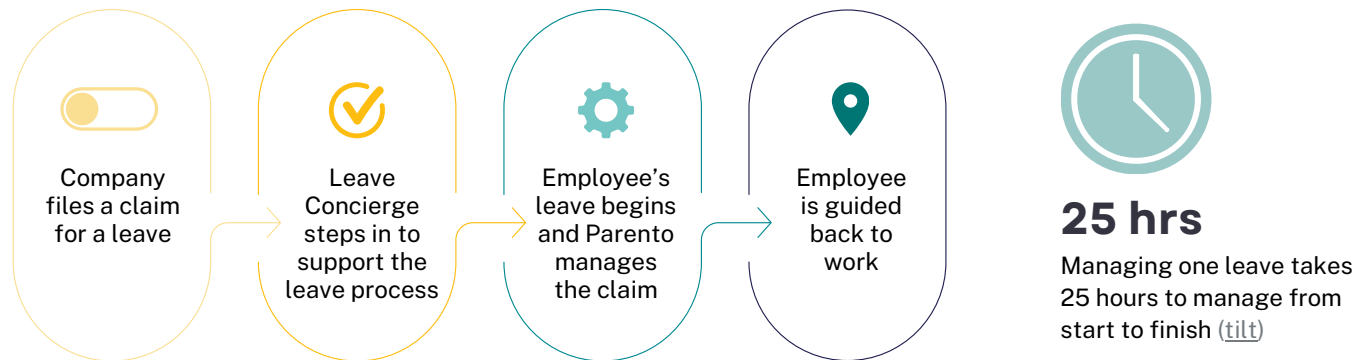
Industries where Parental Leave is considered Standard<sup>2</sup>

- Agriculture + Forestry
- Motor Vehicles
- Security + Legal

1. Wall Street Journal 2. Best Places for Working Parents 2023 Trends Report

## 09 Figuring out PPL is a lot of work.

Managing parental leave can be a logistical and compliance headache for many HR and people teams. Parento handles the leave and claims workload, saving valuable time, money and minimizing risk. With Parento, when the employee takes leave, they remain on payroll and the company is reimbursed for that salary expense based on the policy. There is no interruption in pay and no need for an additional W-2 at the end of the year. Parento seamlessly handles the entire leave and claim process, and guides employees back to work full-time after leave.



## 10 My company needs to wait for open-enrollment, and even then it will be a heavy lift.

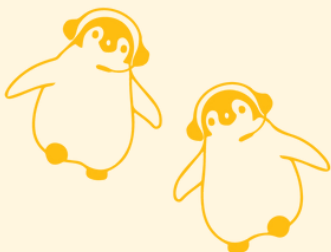
Unlike traditional insurance plans, we can quote, bind and implement your new policy within 2 weeks. Parento seamlessly integrates with your existing policies and can be added at any time, not just during open enrollment. Implementation of Parento is quick and hassle-free, requiring as little as 2-3 hours on your end, with no individual employee enrollment. We even provide an orientation, handbook and materials to share with employees.

## Explore insurance for paid parental leave.

Parento offers a suite of products to make paid parental leave possible, anchored by our affordable paid parental leave insurance. You can customize a policy that fits your budget, offering from 6 to 16 weeks of leave at up to 100% of pay.

The gender-neutral policy extends to all employees who birth, adopt, or foster. Parento works for all employers nationwide, regardless of industry, from 10 to 10,000 employees.

- ✓ Access to **Parento Portal**, a leave and claims management portal for HR teams and employees
- ✓ **Leave Concierge** to handle the leave and claims process, complicated payroll calculations and reconciliation
- ✓ Unlimited employee access to expert **parent coaches and a postpartum doula** for every stage of parenthood



## Contact our team today.

Schedule a Call

