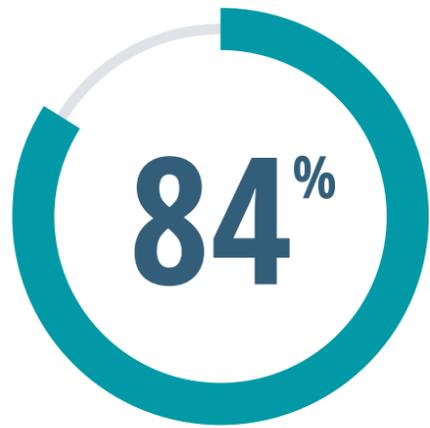


A pregnant woman with long, wavy brown hair, wearing a light blue blazer over a beige ribbed top, is smiling broadly and looking at a tablet computer. She is in a meeting room with other people in the background. A man in a light blue shirt is looking at the tablet, and another man is partially visible on the right. The room has a white table with a laptop, a glass of water, and a coffee cup. The background features a wall with blue and purple panels.

The essential guide to leave program design

Best practices that serve your
employees and boost your success

unum[®]



of U.S. employers said they were planning to change their leave of absence programs in the next couple years.¹

Why? **Finding and keeping great workers** was the **number-one reason**, closely followed by a desire to **improve the employee experience**.

So what kinds of changes and improvements should employers make to achieve these objectives, and how should they go about it?

We've designed this guide to help employers answer those questions. Our insights are based on over 25 years of managing leave for our customers. Today, we provide leave management services for more than 1,200 employers, covering millions of people.

Through this deep experience, we've uncovered **six best practices** employers should consider when investing in their leave programs.

These keys can help you shape a corporate leave policy that supports talent attraction and retention efforts, is easy to administer and is modern, inclusive and compliant.



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BEST PRACTICE 1:

Figure out your “why”

You know your leave program has to comply with local, state and federal law (see *The growing challenge of compliance*, page 14). That’s a given. But what else are you after? If you begin by articulating your specific motivations, not only can you move in the right direction to accomplish them, you’ll also be able to measure whether you’ve succeeded.

Common “why’s” include:

Attract the best workers

With more employees expecting generous leave benefits, an attractive leave program can make you stand out as an employer of choice in the competitive market for talent. Employees rank leave the most important benefit after health insurance.²

And a recent survey showed that 65% of employees find a minimal annual leave allowance to be the biggest red flag when considering job postings.³

Decrease turnover and associated costs

Attractive leave programs can help you keep the employees you work so hard to hire. For one thing, employees don’t want to lose these benefits when switching employers. For another, leave can help employees stay at their jobs by giving them the time they need to deal with health, personal and family issues.

Improve employee wellbeing

Expanded or improved leave benefits can help reduce employee burnout and fatigue, leading to increased morale and productivity. They can also help make employees feel cared for. Nearly 70% of workers say their employer has a responsibility to ensure they’re physically and financially well.⁴

Modernize the program

Because they were originally created years ago — before significant changes in the workforce and the upheavals of the pandemic — many leave programs are insufficiently inclusive, equitable and consistent. They may inadvertently favor one employee group over another, fail to recognize the differing needs of various life phases and/or be applied inconsistently across the organization. Improvements and refinements can help ensure your entire workforce sees and realizes the benefits of your program.

Address employee satisfaction metrics

A better leave program can help boost employee engagement and satisfaction survey scores while decreasing negative feedback in surveys and on social media. Improvements in these metrics can demonstrate positive change to employees and other stakeholders while also boosting an organization’s reputation.

Make leave management easier

Many employers start thinking about changing their leave programs when absence management has become too difficult, whether that’s due to growth in employee numbers, increased complexity in state leave programs or a need to keep up with changing technology.

When you have articulated the problem you’re trying to solve, you’ve taken a giant step toward developing a solution that works.



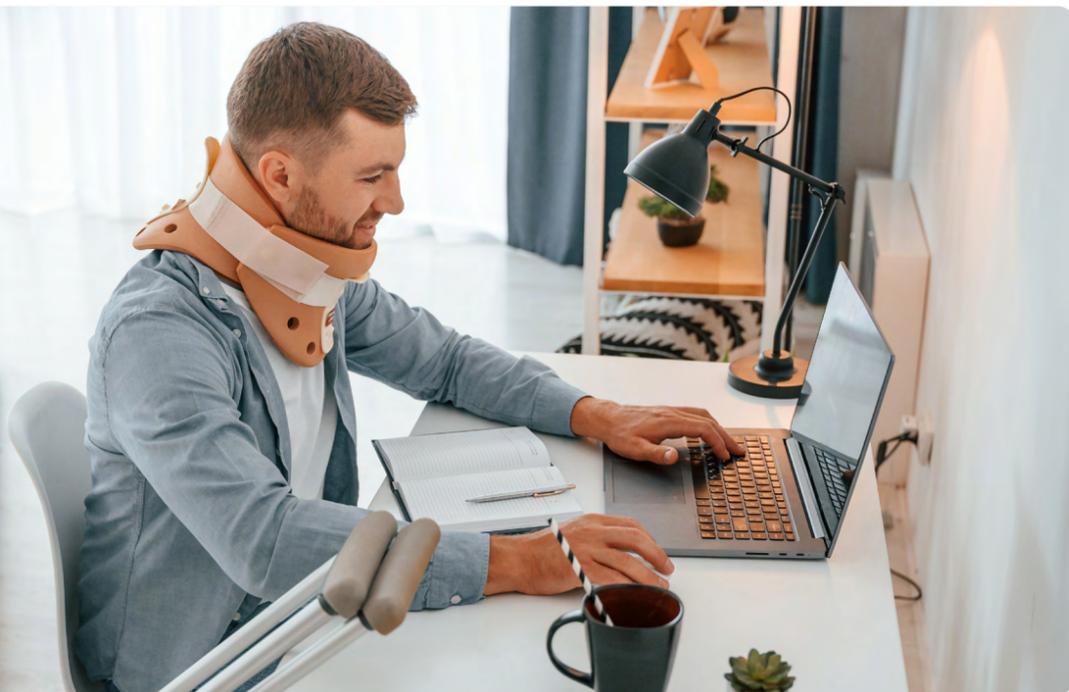
6 in 10 employers try to highlight their leave program in recruiting conversations

Source: Unum Insights Report: Leave and absence management, 2024.

BEST PRACTICE 2:

See where you can grow

More than likely, your employees are entitled to specific leave benefits under the Family Medical and Leave Act (FMLA) and unpaid state leave laws, as well as applicable state paid family and medical leave (PFML) laws and/or your existing corporate leave policy. You must also provide reasonable accommodations, including leave, under the Americans with Disabilities Act (ADA). Depending on your goals and resources, you could add to these entitlements in two broad ways.



First, consider expanding the types of leave your employees can take. Take your industry and employee population into account as you consider adding leave types.

Disability benefits

While FMLA offers unpaid, job-protected leave employees can take to deal with their own serious illness or injury, unpaid leave does little to protect a family's finances if a breadwinner can't work. Short term and long term disability insurance helps replace a portion of an employee's earnings during the time they are away from work.

According to the U.S. Bureau of Labor Statistics, less than half of U.S. employees working for private employers have access to disability benefits.⁵ Adding them to your benefits portfolio can contribute significantly to your workforce's financial wellbeing.

Paid parental leave

Parental leave allows parents time to bond with new children in their family. It is distinct from the paid leave for childbirth recovery offered under short term disability policies. Once often restricted to birth parents, it is now frequently offered to adoptive and foster parents too.

According to a recent survey, 85% of employers provide paid parental leave to mothers, 82% offer it to fathers and 82% provide adoption leave. Nearly one-fifth of companies already offering paid parental leave plan to increase the value of their current programs.¹

Bereavement leave

Allowing employees time off to mourn the loss of loved ones and take care of related tasks is a meaningful way to demonstrate employer care and help employees return to or stay at work with a clearer mind.

Paid caregiver leave

Caregiver leave provides paid time off to help these employees deal with their responsibilities. This type of leave is growing. Only about 25% of employers surveyed nationwide reported that they offered paid caregiver leave, but 22% said they were either considering or planning to offer it within the next two years.¹

For more information about the need for caregiver leave, see *Caregiving in the U.S.* (page 5).

Second, consider expanding on the leave you already offer. For example, you could:

- **Broaden** your paid parental leave offering to include adoptive and foster parents. More than 65% of Unum customers offering paid parental leave include foster parents, a number that's been increasing five points per year since 2022.⁶
- **Enhance** caregiver leave to increase duration and/or add care recipients. Many caregiver policies are designed to mirror FMLA requirements (covering only parent, spouse and child) and fail to include extended or non-traditional family members. Also consider adding more time, such as increasing from five days to ten days
- **Extend** your bereavement leave policy to include more relationships (e.g., close friends, relatives beyond immediate family), pregnancy loss or death of a pet. According to WTW, 25% of employers offering bereavement leave intend to increase its value in the future.¹

Trends we're seeing

We manage leave for a wide variety of businesses across the country. Here are some interesting trends we're seeing among our customers.

Parental leave

92% of the parental leaves we manage are paid.

66% of paid parental leaves permit leave for foster care.

Caregiver leave

80% of employers provide more than two weeks of paid caregiver leave.

79% of paid caregiver leaves permit intermittent usage.

Source: Unum internal data, 2024.

Snapshot: Caregiving in the U.S.

The U.S. population is aging. By 2050, almost 25% of Americans will be 65 or older.⁷ This means that more and more of your employees will become caregivers to elderly parents or friends. Consider these numbers:



14% of the U.S. population,⁸ or about 48 million Americans,⁹ is providing unpaid elder care today.



Among employees who provide unpaid care to another adult, **two-thirds** reported having difficulty balancing work and life responsibilities.⁹



Nearly 1 in 5 working caregivers have taken a leave of absence because of caregiving responsibilities.⁹

Employees who are also caregivers can face mounting stresses that rival or surpass those of new parents. While many companies have focused on providing paid parental leave, offering caregiver leave can help you support a growing cohort of your employee population.



BEST PRACTICE 3:

Look at the big picture

Behind every leave is an employee going through a challenging time. Whether it's illness, injury, loss, family responsibilities or the changes that come with a new child, employees who need leave need support.

Offering targeted services, benefits and resources beyond leave can not only improve their experience, but in some cases reduce the need for leave in the first place or make it easier to return to work.

A robust program of leave-adjacent resources can help you support your entire workforce.

Sample supports include:

- Behavioral health resources
- Financial counseling
- Caregiver resources
- Leave planning tools
- Pregnancy and maternity services
- Connected claims experiences that minimize work and maximize benefits for employees

How holistic benefits support employees



Sharon

The injured breadwinner

Sharon is not only the mother of a toddler, she's also her family's main source of income. When she's injured in a car accident, she can't work for several weeks. She's worried about her finances and stressed out from dealing with a small child while recovering on crutches.

Sharon's employer offers short term disability insurance, which helps her family weather this misfortune. When she files her claim, the disability specialist notices that Sharon has other benefits that can help, such as hospital indemnity and accident insurance.

The specialist goes ahead and files claims for those benefits, too, with minimal involvement from Sharon. Sharon's employer also provides behavioral health resources, which help her cope with the stresses of parenting through injury, so she can more easily return to work when she's ready.



Katherine

The new mom

Katherine is expecting her first child. She's nervous about this major life transition. She's also confused about how her short term disability benefit will work with her employer's paid parental leave policy and her entitlements for state paid family and medical leave in Massachusetts.

Luckily, her employer offers a range of services to help her understand, plan and take leave, as well as resources to support her wellbeing.

She has access to maternal care services that she can utilize both during pregnancy and postpartum, including board-certified lactation support, physical therapy for pelvic floor and mental health support designed to help her along the pregnancy and postpartum journeys.



Michael

The burned-out caregiver

Michael has recently moved his elderly father into his home and is caring for him full time while working his full-time job. His stress level is high, and it's getting to be too much.

Michael's employer offers a 10-day paid caregiver leave, so he decides to take that while his father has surgery and goes through a recovery period. His employer also offers resources specific for caregivers, which Michael begins using to lighten the load at home.

These include access to a network of care providers, 1:1 coaching and a transportation and meal-delivery service. When Michael returns to work, he feels more supported in his role as a caregiver and more able to be fully productive on the job.

BEST PRACTICE 4:

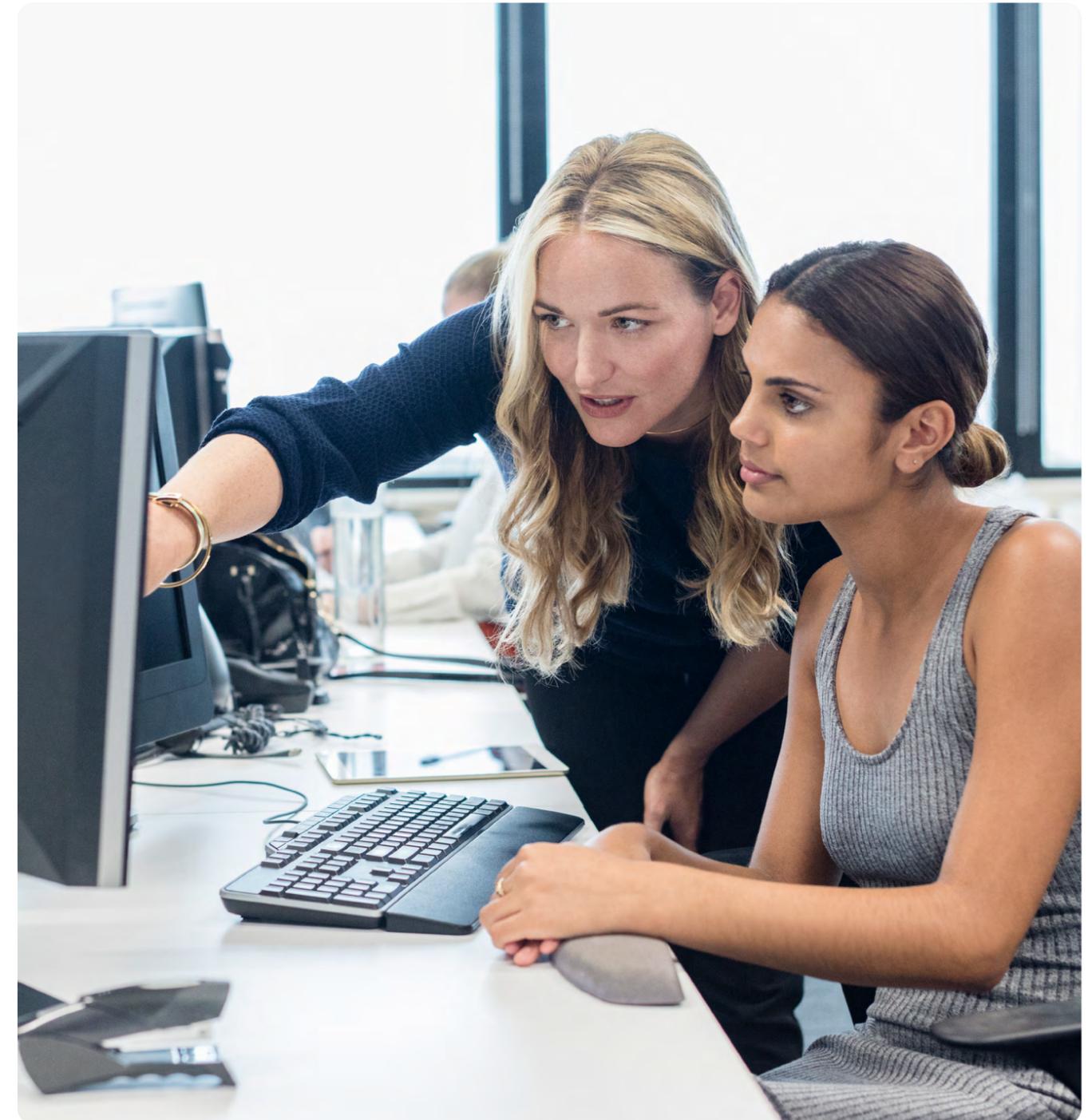
Develop clear policies

For the easiest administration of your program and the fairest and most consistent treatment of employees, make sure your policies are clear, concise and complete across all the dimensions of leave policy.

You'll need to clearly document such things as eligibility, supporting documentation requirements, return-to-work considerations and more. See our handy *Leave Policy Checklist* (page 10) for a list of considerations to review when refining or building your leave program. Some of these are easy to overlook.

Additional considerations and tips

- Think about how your corporate leave entitlements will coordinate with other leave programs and consider instituting similar entitlement periods (e.g., 12 months)
- Where you need policies to be discretionary rather than firm, ensure appropriate HR and senior leadership are included in decision making to promote consistency and fairness.
- Keep calculations and definitions straightforward. Simplicity makes things easier for HR and prevents problems using technology or outsourced services.



Leave policy checklist

Review your leave policies for clarity, conciseness and completion. Whether developing a new policy or refining an existing one, be sure to address these key dimensions.

- ✓ **Eligibility rules**

Define the criteria for an employee to be eligible for leave.

 - What are the supported reasons for taking the leave?
 - Is tenure with the organization required?
 - What employees are eligible?
 - Is eligibility dependent on other variables, such as role, level or location?
- ✓ **Job protection**

Decide whether the leave is a job-protected benefit.
- ✓ **Income protection**

Specify whether the leave provides income protection to employees. If a paid benefit, how are payments structured and administered?
- ✓ **Duration**

Define the entitlement. How long can the leave last?
- ✓ **Concurrency**

Determine whether the leave may run concurrently with FMLA, PFMLs and other leaves, and if it offsets other available paid benefits.
- ✓ **Calculation method**

Define how the leave entitlement will be calculated.
- ✓ **Usage timeline**

Specify whether the leave must be taken within a specific amount of time after an event, such as requiring parental leave to be taken within 12 months after birth or placement of a child.
- ✓ **Increments**

Specify the parameters of time that dictate how a leave may be taken, such as full week, full day or intermittently.
- ✓ **Required documentation**

Ensure your policy states clear guidelines for providing any required documentation to support the leave.
- ✓ **Definitions**

Develop clear definitions for qualifying events and family relationships. In some instances, a best practice may be to align with FMLA relationships for consistency, and in others, it may make sense to expand.
- ✓ **Coordination with PTO**

Offer clear guidance to employees on any coordination needed with PTO. If the leave is unpaid, can PTO be taken? If the leave is paid, must PTO be exhausted first?
- ✓ **Process**

Outline the procedures for specific actions related to the leave, such as:

 - How to inform employer (HR, manager)
 - How and when to request a leave
 - How to prepare for leave
 - Rules for being out on leave
 - Return-to-work processes

BEST PRACTICE 5:

Spread the word

Once you have finalized your leave program offering and articulated your policies, it's time to communicate those decisions throughout your organization. Everyone will need training and education for your program to be effective.

HR will need to fully understand all the details of your leave program offering and policies. Managers will need to understand their role and responsibilities and be able to answer employee questions.

Employees will need clear and frequent education and communication about what benefits they are eligible for, what tools and resources they can access, and what their responsibilities are in requesting leave, providing supporting documentation and keeping their manager informed throughout the absence process.

Don't treat this issue as an afterthought. Develop your plans for training and communication as carefully as you developed your policies. The time spent here will pay off in time not spent clearing up confusion and conflict as employees access your leave benefits.



Sample training and education topics

For employees

- Understanding leave benefits, accessing written policies
- The process for requesting leave and accommodations
- Requirements while out on leave
- The process for returning to work

For managers

- Your responsibilities when an employee needs leave or accommodation
- How to help employees access tools and resources
- Workforce planning and ways to fill staffing needs
- FMLA, ADA and PFML basics
- How to support the return-to-work process

For HR

- Understanding leave policies
 - Who's eligible?
 - Leave durations
 - Payment basics
 - Available tools and services
 - Complying with local, state and federal requirements
- Your responsibilities when an employee requests leave
 - Intake meeting
 - Documentation
 - Confirming eligibility
 - Ensuring compliance

BEST PRACTICE 6:

Check in annually

Things change quickly in the legislative landscape, your employee population and your competitors' offerings. So take time every year to review your leave program and assess whether it's meeting your goals. Helpful actions you can take include:

- Conduct a thorough policy review to make sure you're staying up to date
- Conduct audits to ensure internal processes are being followed
- Gather data on program performance

Program performance data may be available from your leave management vendor if you have one, or you may need to determine how to measure performance yourself. Employers we surveyed for our 2024 report on leave and absence trends reported using the following measures to evaluate success.

Employee engagement and satisfaction

As part of your overall assessment of benefits, conduct surveys to gauge employee satisfaction and engagement with your leave program. Are they satisfied with the types of leave available? How do they feel about specific policies? If they've taken leave, how do they feel about the experience?

Leave utilization rate

Measure trends in how often employees use their available leave, to get an indication of whether your program is meeting needs.

Absenteeism rate

Calculate the frequency and duration of employee absences beyond the current leave programs, and determine if there is an underlying cause that could potentially be addressed through leave or return to work policies.

Return-to-work rates

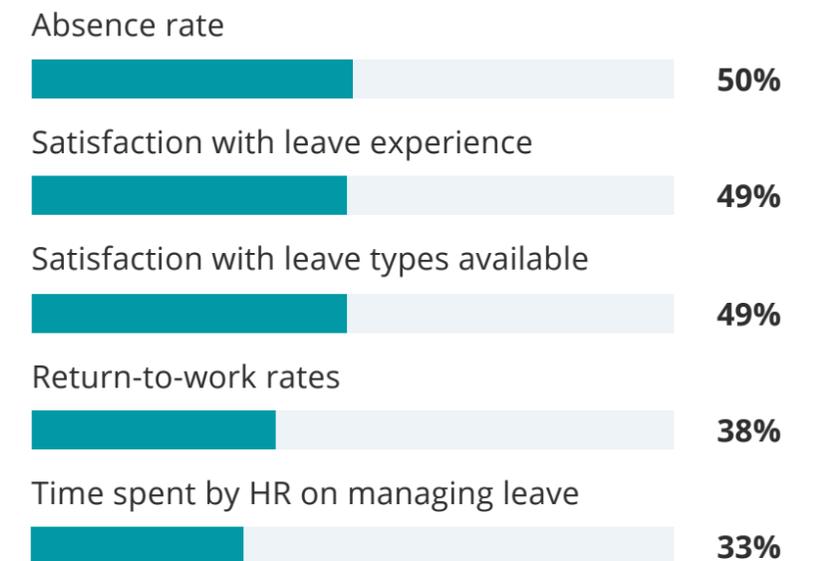
A major reason to have a well-designed leave program is to help employees return to work healed, rested, clear-minded, etc. When an employee returns, you regain the experienced talent you worked so hard to hire.

When employees don't return, you incur new recruitment, hiring and training expenses as well as a potential loss of productivity. Return-to-work rate is a key piece of information in evaluating the success of your program.

Time spent by HR on managing leave

If your leave program uses outsourced services, a critical measure of success will be time savings for HR. If you don't, trends in HR time could also indicate whether your program needs to be simplified or education efforts increased.

Top five methods employers use to evaluate success



Snapshot: The growing challenge of compliance

Employers must understand what federal and state leave entitlements apply to them and their employee populations and how to be compliant. It is essential to know how these laws and policies work so you can effectively coordinate across benefits, including disability and corporate leave. Many employers find this complex task a daunting challenge.

According to the Business Group on Health, 79% of employers say complying with state and local paid leave laws is their number-one challenge in leave administration.¹⁰

Mercer reports that 72% of employers have had to add resources to make sure they are compliant.¹¹

And the challenge is only getting bigger. According to Mercer, in **2021, five in ten employers** ranked compliance as one of their top three concerns. In **2024**, it was nearly **seven in ten**.¹¹

To stay on top of continual changes to state programs for paid family and medical leave, visit our [state leave page](#).

State PFML can be a difficult challenge

- The number of states with paid leave programs has increased fourfold in the last four years, and by mid-2026, the nation's tally of state PFML programs will reach 14.
- These programs are mandatory, meaning neither employers nor employees can opt out (although employers can typically substitute an equivalent private plan for the state plan).
- The increase in states offering PFML means an increase in plan design variation.
- For multi-state employers, these programs are driving increased risk of non-compliance, creating more strain on internal resources and emphasizing the need for more comprehensive policies.

How are you staying up to date with changing laws and regulations? How do you currently handle the administration of statutory plans? Given the complexity and rapid change in the current leave landscape, is your approach sustainable?



of employers say complying with state and local paid leave laws is their number-one challenge in leave administration.

Source: Business Group on Health, 2024 Employer Leave Strategy and Transformation Survey: A New Era of Time Away.

CONCLUSION

Outsourcing leave management

Is it right for you?

Taken together, leave program design, monitoring, compliance and administration require a huge commitment of resources for most organizations. That's why many — especially growing companies and multi-state employers — look for a partner to take on leave management. Outsourcing this important function has some clear advantages. With the right partner, you can:

- Reduce or remove the compliance, administration and management burden from HR
- Provide one point of contact for employees instead of splitting interactions between an insurance carrier and HR
- Ensure an engaging experience for employees
- Boost transparency for HR and people managers
- Get professional consultation on program design

An experienced leave management partner can help you achieve your program goals while freeing your HR team to focus on more strategic activities, like recruiting the best talent and helping ensure a great overall experience for your employees.

For tips on choosing the right leave solution, see our [Leave management comparison scorecard](#) and [Choosing the right leave management technology: A buyer's guide](#).

Whatever you decide, careful planning of leave policies, aligned with your strategic goals, will go a long way toward creating an employee leave program that safeguards employee wellbeing and helps you stand out as an employer of choice.

A best-in-class leave program helps:

- Maintain compliance with federal and state laws
- Attract and retain top talent
- Strengthen company culture
- Better support and care for employees
- Take pressure off your HR team

Concerned about the cost of outsourcing?

If you have sticker shock about the cost of working with a leave management partner, consider this: the investment you make can pay off in savings across your organization, including:

- Administrative and legal cost savings
- Productivity savings
- Recruiting and retention cost savings
- Leave technology HR efficiency savings

Read more in our informative guide, [Understanding the ROI of leave management solutions](#) to learn how a typical company with 1,000 employees can achieve a leave program return on investment of over 250%.

About Unum Leave Solutions

Unum offers fresh ways to take better care of employees, whether they need time away or extra support managing life's challenges — for a happier, more productive workforce.

Unum Total Leave

Advanced leave management with elevated employee experiences

Unum Leave Logic

Self-service leave education and planning for employees

Unum ADA Solutions

Services to help employers navigate the requirements of the Americans with Disabilities Act (ADA)

Unum Care Hub

Resources to support employees and address the drivers of leave and disability

At Unum, we help the working world thrive, taking care of employees with compassion while helping HR navigate the toughest challenges across policy, compliance and claims. Talk to your broker or Unum representative about our leading leave solutions, or schedule a demo today!

More helpful resources from Unum

Learn more about leave program planning and compliance with these informative resources.

Article

Five steps to employee-focused leave management →

Guide

Choosing the right leave management technology →

Compliance resources

State paid leave programs →

FMLA employer guide →

ADA employer guide →



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