H3 HR ADVISORS

Caregiving in the Modern Workforce

Meet Our Team

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Trish Steed is the CEO and Chief Strategist for H3 HR Advisors, and co-host of the At Work in America podcast on the HR Happy Hour Network alongside Steve Boese. She is also the creator of the H3 LIVE! vlog.

A former HR executive and HCM product leader with over 20 years of experience in Big 4 public accounting, PR, healthcare, manufacturing, and IT, Trish brings that knowledge to her clients as an analyst and advisor.

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Steve is one of the Co-Founders of H3 HR Advisors, a leading HR technology advisory and services consultancy.

Since 2013, Steve has been the Program Chair and host of the HR Technology Conference, the world's largest gathering of the global HR Technology community, and authors a monthly HR Technology Column for Human Resource Executive magazine. He is a frequent speaker and author on topics in Human Resources, HR technology, and the world of work.

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Karen Steed is the Client Experience Director & Learning Analyst of H3 HR Advisors.

Karen works with client teams to promote their organizational needs seamlessly and effectively, through strategy and planning. She is also responsible for the HR Happy Hour Network media production and promotion. Previously, Karen served 15 years as an elementary educator and early childhood administrator. Her focus is on learning solutions that are engaging and practical.

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Executive Summary

In 2025, caregiving has emerged as a central factor influencing the employee experience. Whether tending to young children, aging parents, or family members with disabilities, millions of workers are navigating complex caregiving responsibilities while trying to meet the demands of their jobs. This experience is not limited to one generation or demographic. It spans every corner of the workforce and is beginning to shape decisions around employment, engagement, and leadership.

Organizations are feeling the impact. Employees are choosing whether to stay with a company based on the level of caregiving support they receive. At the same time, managers are being asked to show deeper levels of empathy and flexibility in response to the personal lives of their team members. These two forces are creating a pivotal moment for HR leaders who must find a path forward that supports both business outcomes and human needs.

This report explores what we refer to as “The Dual Shift.” The first shift centers on employee retention. Caregiving support has become a core component of a competitive total rewards strategy. Workers are seeking employers who understand their responsibilities at home and who provide real solutions.

The second shift involves the expectations placed on people managers. Managers are expected to build trust, adapt to personal circumstances, and create environments where employees feel seen and supported. This new way of leading requires intentional training and a culture that values care as a leadership competency.

Organizations that embrace both aspects of this shift will create a more resilient, loyal, and engaged workforce. Those that continue with outdated approaches may struggle to retain top talent or to cultivate the kind of workplace culture needed to thrive in today’s environment. This report outlines the current caregiving landscape and provides actionable guidance for organizations that want to respond strategically.

The Caregiving Landscape in 2025

Caregiving has become one of the most pressing realities facing today's workforce. No longer limited to early childhood or elder care, the caregiving role now spans all generations and includes support for individuals with chronic illness, disabilities, or complex mental health needs. As demographics shift and life expectancy rises, caregiving is touching more employees than ever before—across industries, job levels, and life stages.

67%

of working caregivers report difficulty balancing their job responsibilities with their caregiving duties

AARP in partnership with S&P Global

Many are making personal and professional sacrifices, including reducing hours, passing on promotions, or exiting the workforce altogether. The strain of caregiving often goes unseen, but it directly impacts productivity, engagement, and retention.

The types of caregiving most common among workers include:

CHILD CARE

- A significant portion of employees are managing the care of young children with rising childcare costs and limited availability of quality care options.

ELDER CARE

- An increasing number of professionals are supporting aging parents or relatives from doctor appointments to assisting with daily living needs.

DISABILITY & SUPPORT CARE

- Some workers provide care for children, partners, or family members with disabilities, chronic illnesses, or mental health conditions.

In many cases, these responsibilities equate to a second job, often exceeding 20 hours per week. Yet, because much of this care happens outside of work hours or behind the scenes, it is frequently overlooked in workplace planning and policy.

At the same time, economic pressures like inflation, rising healthcare costs, and housing prices have made caregiving more financially and emotionally taxing. Employees are looking to their employers for possible solutions, and the organizations that respond with empathy and flexibility are better positioned to retain and support their teams.

Caregiving in 2025 has become a central theme in how people work, live, and make decisions about their careers. As caregiving becomes more common across all life stages, it influences when employees arrive at work, whether they can accept new roles, and how long they choose to stay with an organization. Workers are weighing job offers not only by salary or title, but by the level of support they receive in managing their responsibilities at home.

For employers, this shift presents both a challenge and an opportunity: those who recognize caregiving as a core workforce issue will be the ones who attract and retain top talent in an increasingly care-driven world.

The Retention Shift

As caregiving becomes more common across all stages of life, employees are taking a fresh look at what they need to remain in their roles. For many, caregiving responsibilities help determines whether a job is sustainable. When outside of work needs increase, workers often are forced to make difficult choices like reducing hours, stepping back from advancement opportunities, or leaving an organization or career entirely. Cases like these are becoming a significant factor in employee retention across all industries.

The pressure is especially acute for mid-career employees that are finding themselves caring for both children and aging parents. This “sandwich generation” needs flexible work arrangements and generous family leave policies to be able to stay loyal to their employer.

76%

of employers believe senior-care benefits support employee retention

Future of Benefits Report
Care.com

40%

of unpaid adult caregivers substantially alter their work status due to caregiving demands

Employee Benefits Trends
WorldofWork.org

Employees are also more vocal and selective. They want to work for organizations that see them as whole people, not just employees. When care support is missing or hard to access, many will seek out new environments that align with their current lived experiences. There are an array of benefits that organzations can offer to provide caregiving support.

- Backup care services
- Caregiver leave policies
- Flexible work hours
- Financial assistance or subsidies

> “Businesses that lead with empathy by offering targeted caregiving benefits will see stronger employee loyalty and increased productivity.”
>
> H3 HR Advisors 2025 Workplace Trends Report

But benefits alone are not enough. The culture of an organization has direct impact on the employees. When issues like caregiving are treated as a normal part of working life, employees feel safer when asking for what they need. Building a true sense of belonging promotes trust, which is a firm foundation of retention.

For HR leaders, this moment offers a new opportunity. By proactively supporting caregiving needs, organizations set themselves up for improved productivity and engagement while also increasing retention of top performers who might otherwise feel they have no choice but to walk away.

The Management Shift

The growing prevalence of caregiving responsibilities is redefining what effective leadership looks like. Managers are now expected to balance business priorities with a human-centered approach, recognizing and supporting the caregiving realities of their team members.

Many organizations are still in the early stages of preparing leadership teams for this new role. Surveys show that most managers have not received formal training to navigate the caregiving conversations that are coming up among their employee teams. This lack of preparedness often affects performance and engagement in ways that initially go unnoticed.

Some companies, however, are leading the way. Cisco and Hilton have invested in concierge-style caregiver support through their partnership with Wellthy. This service connects employees to care coordinators who help navigate complex caregiving needs, from elder care arrangements to medical appointment logistics.

The impact is reflected in employee sentiment at both companies. Both of these organizations equip managers to direct employees to these resources and train leaders to normalize conversations about care.

Organizations that excel at supporting care demonstrate that training, when combined with accessible resources, can strengthen both company culture and loyalty.

EMPLOYEES WANT LEADERS WHO CAN:

- **Recognize signs of caregiving strain without judgement**
- **Adapt workloads and schedules to meet both business and personal needs**
- **Speak openly about caregiving and the resources available**
- **Ensure flexibility does not come at the cost of career advancement**

In 2025 and beyond, the most effective managers will be those who prioritize caregiving support and integrate it into how their teams operate.

From Awareness to Action

The conversation around caregiving in the workplace has reached a turning point. Awareness is high, and many organizations recognize the link between care support, employee retention, and effective leadership. The challenge now is execution and translating good intentions into measurable and lasting change.

Build Manager Readiness

Managers are the gateway to employee experience. Without their understanding and active support, even the best caregiving benefits can go unused. Leading organizations are weaving caregiving awareness into leadership programs, giving managers practical skills to:

- Start conversations early, before challenges escalate
- Adapt team norms to accommodate ongoing care needs
- Confidently point employees toward available resources

Design Benefits for Real-World Use

Effective caregiving support needs to be designed with the realities of employees' lives in mind. This includes support that is easily accessible and inclusive of diverse care needs. This might mean:

- Providing backup care that covers both children and adults
- Offering stipends that employees can apply to the care arrangement that works best for them
- Making policies easy to find and simple to use

Create a Culture Where Care is Visible

Culture is the force that makes caregiving support sustainable. Employees need to see leaders and peers talking openly about care in resource groups or in recognition programs that celebrate teams who support one another through caregiving challenges.

Measure and Evolve

The needs of individual employees shift over time. Employers should track utilization, retention, and engagement data to understand which supports have the most impact. Adding a few targted questions about caregiving to stay interviews and engagement surveys can reveal trends before they become problems.

CALL TO ACTION FOR HR LEADERS

- **Make caregiving a core part of workforce strategy**
- **Train managers so they can respond with empathy and connect employees to resources**
- **Review benefits annually to ensure they reflect the evolving needs of a multigenerational workforce**
- **Measure impact in pulse-surveys and interviews**
- **Lead by example, with senior leaders visibly supporting caregiving initiatives**

Conclusion

Caregiving responsibilities are a defining reality for employees, managers, and organizations in 2025 and beyond. As outlined in our 2025 Workplace Trends Report, the dual shift is clear: employees are making career decisions based on caregiving support, and managers are being called to lead with a new level of empathy and flexibility.

At this moment in time, we are offered a choice. Caregiving can be treated as an individual challenge and addressed when it disrupts work, or it can be seen as a strategic opportunity to strengthen workplace culture, loyalty, and performance.

The path forward requires both structure and humanity. Employers who choose to lead with that understanding will set the standard for what it means to be a truly great place to work - for todoay and years to come!

Partner with us in 2025

H3 HR Advisors is a full-service Human Capital Management consulting, research, and advisory firm. Additional packages or retainer options available.

Launched in 2009, The HR Happy Hour Media Network features the longest continuously running internet radio show and podcast on all things HR and HCM.

Succeed by building relationships that drive your ambitious business results forward with experience and insights you can trust

- HR and learning leaders bringing our combined 70+ years of experience to your project
- Providing an objective look at your solution and marketing needs
- Helping you reach your product and customer goals
- Utilizing our company research to support your business imperatives
- Thought leadership to understand the evolving workplace
- Projects tailored specifically to your needs

Contact Us

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