



Tackling Childcare: The Business Case for Employer-supported Childcare in Sri Lanka

Case Study

WSO2

Information Technology



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The IFC-led Women in Work (WiW) Program, a four-year program valued at US\$11.5mn and funded by the Australian Government, launched in April 2017.¹ It is IFC's largest, standalone country-based gender program, working with private sector companies to close gender gaps while improving business performance. The program, which benefits from multisector program design and works closely with the World Bank on research, tackles women's access to jobs and assets at the same time. It aims to increase women's workforce participation in Sri Lanka's private sector, create more and better jobs for women, and has the potential to increase company profits and drive overall economic growth. WiW also contributes to the vision of the Government of Sri Lanka where all citizens can achieve higher incomes and better standards of living by 2025.²

Access to quality childcare services is a key constraint on women's labor force participation. Following IFC's global Tackling Childcare initiative, this report highlights Sri Lanka-specific data, experiences and resources on employer-supported childcare and may not only be relevant to individual businesses but can also serve as a resource for special economic zones, Information Technology (IT) parks and other consortium models. This case study is one of 10 featured in the report: *"Tackling Childcare: The Business Case for Employer-supported Childcare in Sri Lanka"*, available at www.ifc.org/tacklingchildcare.

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Offering Childcare not only Makes Business Sense but is also Common Sense

WSO2, an IT company with offices in Australia, Brazil, Sri Lanka, the UK and US, is a pioneer in middleware applications, a software that connects other software components to create a seamless workflow for business operations. From its inception 13 years ago with initial funding from Intel Capital, the investment arm of chip manufacturer Intel, WSO2 has evolved into a key Silicon Valley player. Their applications for eBay are most famous for the power to process over one billion transactions per day. WSO2 employs over 600 engineers, consultants and professionals worldwide. WSO2's Sri Lanka workforce is more than 500 people strong, 35 percent of whom are women. In 2013, WSO2 Sri Lanka built modern office premises, featuring recreational areas, an in-house gym, snooze room and a space to think out of the box.

“We are hiring people with sufficient experience and maturities that I can trust to do a good job, and I don’t care what time they work or where they’re working from.”

Dr. Sanjiva Weerawarana, Founder and Chairman of WSO2

WSO2 operates in a highly competitive labor market. WSO2 is member of the Sri Lanka Association for Software and Services Companies (SLASSCOM), which has 189 companies as members with an estimated workforce of 35,000 to 40,000 employees accounting for over 90 percent of export revenue in IT. Attracting and retaining talent is one of the key challenges in the IT sector. To improve their attractiveness to potential employees and increase retention rates, the company offers a range of benefits for work-life balance with childcare support, flexible working hours and work-from-home alternatives. Their employees view the flexibility to work when and where they see fit as a key benefit. WSO2 further offers flexible work practices that enable its employees to manage their life balances, both at home and work.

“Being able to make a change in our employees’ lives and supporting their career by providing a service to take care of their children is very rewarding in itself.”

Maryam Cader, Associate Director HR, WSO2

Employee Profile:

- 35 percent of the 618 employees are women
- 33 percent of 15 senior management are women
- 19 percent of 115 middle management are women
- 53 percent of parents have children younger than two-years-old

WSO2 supports working parents through:

- Access to WSO2's childcare facility at subsidized rates
- Extended no pay maternity leave
- 10 days paid paternity leave
- Flexible working arrangements

Key business impacts of offering childcare supports:

- Enhanced recruitment and retention strategies
- Competitive edge in the market

Dr. Sanjiva Weerawarana, Founder and Chairman of WSO2, was passionate and determined to set-up a crèche facility despite facing space constraints at WSO2's main office located in downtown Colombo, Sri Lanka's capital. To encourage parents who may face challenges with returning back to work, the WSO2 crèche facility opened in 2014 and can accommodate 5 children between the ages of 4 months to 2 years. The facility further provides a nursing room. The childcare benefit is extended by WSO2 to both mothers and fathers at a subsidized rate. WSO2 holds a 100 percent maternity return rate. This can translate into a potentially significant business benefit for WSO2 as replacing an employee is costly. Although there are no IT industry-specific estimates for Sri Lanka, the costs of replacing a professional employee is estimated at a minimum of nine months' salary (including the costs of the recruitment process, the time it takes for the new employee to be fully productive, and the time spent by colleagues, supervisors, and managers during the recruitment and familiarization process).

“At WSO2 the question was not whether to offer childcare: in a working environment where there are many parents, it only makes common sense to offer such support. But we wanted to offer childcare support in a manner that sets us apart from our competitors”.

Dr. Sanjiva Weerawarana, Founder and Chairman of WSO2

The crèche facility is managed by CeeBees Pre-School and Childcare Center which delivers a fully-fledged early childhood curriculum and childcare facilities. The crèche facility is open on working days from 8:30 a.m. to 5:30 p.m. To date, CeeBees operates a total of two childcare centers and three corporate crèches in Colombo. Post 2 years of age, WSO2 employee parents can enroll their child(ren) in any one of the available Ceebees Preschool and Daycare centers.

“The trust factor is the most important aspect of providing quality childcare.”

Fazeela Dharmaratne, Directress of CeeBees Pre-School and Childcare Center

WSO2 communicates the childcare offering as part of the company’s commitment to retain, develop, and promote the best staff, irrespective of gender or parental status. WSO2, which has a waiting list of 5, is looking to expand the crèche facility as a part of their expansion plan soon.

“I am pregnant with my second child and knowing that I have flexible work options, supportive colleagues and progressive career opportunities give me the confidence to perform at my absolute best.”

Mother who uses the WSO2 Crèche



1 IFC. 2017. Government of Australia Partner to Support More and Better Jobs for Women in Sri Lanka.
2 Office of the Prime Minister. 2017. Vision 2025. A Country Enriched. See page 26.

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