



# THE BENEFITS AND CHALLENGES OF A WORKPLACE CRÈCHE

EMPLOYER-SUPPORTED CHILDCARE IN INDIA

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# PARTNERS

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# IFC FOREWORD



No country, community or economy can achieve its potential to meet the challenges of the 21st century without the full and equal participation of women. To encourage more parents (especially mothers) to join and remain in the labor force, reliable, affordable and good-quality childcare is essential.

Recognizing the impact that childcare provision can have on women's employment, countries like Bangladesh, Brazil, India, and Jordan have unveiled policies requiring companies to provide childcare options. Even when not driven by regulatory compliance, companies can support childcare and reap business benefits. The lack of access to such care not only affects early childhood development, but can also hurt businesses that depend on acquiring and retaining a skilled workforce. When companies support their employees with their childcare needs, they can hire and retain talent, which in turn boosts profits and productivity. In addition, children who have access to early childhood education are more likely to perform well in school, be healthier, and be more productive as adults.

As the world's largest global development institution focused exclusively on the private sector, IFC is dedicated to closing gender gaps in employment. IFC promotes employer-supported childcare to reduce barriers to women's access to more and better jobs. This report, *The Benefits and Challenges of a Workplace Crèche: Employer-supported Childcare in India*, highlights India's unique policy approach and employers' initial response to the 2017 Maternity Benefit (Amendment) Act. With the explicit requirement that organizations with more than 50 employees at a worksite invest in workplace child care provisions, the report contributes to a better understanding of employers' obstacles and opportunities (real and perceived) to comply with the new mandate. Importantly it shows how the new regulation can

positively impact key business drivers such as talent management, parents' (including women's) retention, and 'Employer of Choice' status.

Our aim is that this publication will reach hundreds of policy makers and businesses globally who can learn from India's innovative experience and replicate solutions. It is also a call to action for key stakeholders to embrace the business case for employer-supported childcare in India and to invest in and support quality childcare solutions.

On behalf of IFC, I would like to thank our report partners Bright Horizons, Goldman Sachs, J. Sagar Associates, and the National Association for Software and Services Companies (NASSCOM) for their valuable contributions. In addition, I would like to extend my appreciation to the more than 300 employers who participated in our survey and generously shared their experiences. Only through partnerships with the public and private sectors will we be able to better support this important agenda for which the Indian Ministry of Labour and Employment has taken an important leadership role that we can all learn from.

At IFC, we are committed to operationalizing our knowledge and—in line with our vision focused on creating markets—look forward to further collaboration with private and public sector partners which will score a triple win for all: employees and their children, employers, and economies.

A handwritten signature in blue ink that reads "N. Stoilkovic".

Nena Stoilkovic  
IFC Regional Vice President  
Asia and Pacific

# BRIGHT HORIZONS FOREWORD



Around the globe, the lack of quality childcare has continued to be a major barrier to allowing parents, and particularly women, to participate fully in the workforce. And at the same time, employers are struggling more than ever to address their talent needs, with India among the most impacted markets. The talent is there, but many are unable to meet the seemingly dueling responsibilities of family and career. But it doesn't have to be that way.

The 2017 Maternity Benefit (Amendment) Act provides a significant opportunity in India—both for working parents to remain in the workforce and have access to reliable childcare and for businesses to benefit from a workforce that is focused, engaged, and productive. We have watched our clients—including several employers in India—make childcare an important part of their employee effectiveness strategies and experience significant positive impacts to their recruitment and retention efforts as a result. By providing access to childcare solutions, employers will eliminate a major source of stress, worry, and distraction for their employees.

But accessibility and availability of childcare aren't the only factors for employers to consider. Since the early years of a child's life are especially critical to brain development, the importance of a **quality** early education environment can't be stressed enough, particularly as it relates to the standards expected or enforced in each country. The availability of a childcare solution can only go so far if it doesn't meet the quality standards that a parent expects or a child deserves.

At Bright Horizons, we believe every child should have the opportunity to experience a high-quality early education. We are honored to have partnered with the International Finance Corporation (IFC), J. Sagar Associates, Goldman Sachs, and the National Association of Software and Services Companies (NASSCOM) on this research and to offer our expertise in workplace childcare provisions and high-quality early education to help move the implementation of the Maternity Benefit (Amendment) Act forward.

A handwritten signature in black ink, appearing to read "Stephen H. Kramer". The signature is fluid and cursive, with a long horizontal line extending to the right.

Stephen Kramer  
CEO  
Bright Horizons



# EXECUTIVE SUMMARY

India is considered one of the fastest-growing major economies. India has a young workforce, with most employees under the age of 30. Women's labor force participation in India, however, has declined steadily from 30 percent to 27 percent over four years (ILO 2017). Social factors such as the prominence of gender-biased views on women's roles in the economic and political landscape in countries comparable to India and lower recruitment contribute to this decline, but issues around retention of women and the "leaky pipeline" are also influences.

Working parents significantly contribute to their companies and to the larger Indian economy, yet they often juggle work responsibilities with supporting and caring for their children and families. Across the world, childcare still remains a responsibility primarily carried out by women. Globally, women spend approximately three times the amount of time spent by men on unpaid work, which includes childcare (McKinsey Global Institute 2015). In India, however, this number is much greater: McKinsey's research (Bhalla 2017) reveals that women spend close to 10 times more time than men in unpaid care work. Without access to quality childcare support, mothers often must choose between their job and caring for their child. When mothers choose the latter, it results in derailing, or often ending, their career. Providing employer-supported childcare services can boost women's labor force participation, enhance firms' performance, and contribute to economic growth in India.

## MATERNITY BENEFIT (AMENDMENT) ACT

In India, the government has made a concerted effort to remove childcare as a barrier to parents'—and in particular women's—participation in the workforce. In 2017, the Indian government passed an amendment to the Maternity Benefit Act of 1961. The MB (Amendment) Act requires employers to offer benefits

that support employees and their families including:

- Increased paid maternity leave from the existing 12 weeks to 26 weeks
- Maternity leave for adoptive and commissioning (surrogacy) mothers
- Work from home option, which may be exercised after the end of the paid leave period
- Employee awareness, mandatory for employers, to educate women about the available maternity benefits at the time of their appointment
- Crèche facility, mandatory for every establishment employing 50 or more employees (women employees would be permitted to visit the crèche four times during the day)

The International Finance Corporation (IFC) is building on its contribution to employer-supported childcare solutions in India following the release of *Tackling Childcare: The Business Case for Employer-supported Childcare* (2017). IFC plans to leverage its global experience of promoting employer-supported childcare—and knowledge that regulations can be good for business—to advise the private sector. IFC led a partnership comprising a global childcare provider, an industry body, a local law firm, and a financial institution in India. IFC, Bright Horizons, J. Sagar Associates, National Association of Software and Services Companies (NASSCOM), and Goldman Sachs collaborated to assess the opportunity and implications of the MB (Amendment) Act. The project first entailed a survey of 255 employers throughout the country followed by roundtable discussions with employers, childcare providers, and government representatives in Bengaluru, Delhi, and Mumbai. IFC closely collaborated with the federal Ministry of Labour and Employment, the responsible entity for the MB (Amendment) Act. Because each state will create its own guidelines for implementation and enforcement of the Act, the IFC invited state labor commissioners in each state in which a roundtable



discussion was held to share information and engage in dialogue with private sector representatives and employers who will be impacted by the Act. This process has created guidance for those who will create and implement the Act.

This report identifies how employers can implement a crèche strategy to not only meet the MB (Amendment) Act but also to help working parents, young children, and employers' bottom line. This report addresses the business benefits of the Act, quality indicators for crèche programming, financial implications of crèche provisions, crèche models, and employee demand. The report shares data from the e-pulse survey administered by IFC and Bright Horizons in 2018. Survey respondents were predominantly from large multinational organizations in the formal sector in Mumbai and Bengaluru. Many organizations were NASSCOM members, and therefore in the information technology (IT) industry, although there was also significant representation from the banking, financial services, and insurance sectors. The report also presents significant findings from the roundtable discussions. It concludes with recommendations for employers, the government, and investors or donors as to how they might leverage the Act to benefit children and families, employers, and the economic well-being of the country.

## BENEFITS OF THE MB (AMENDMENT) ACT

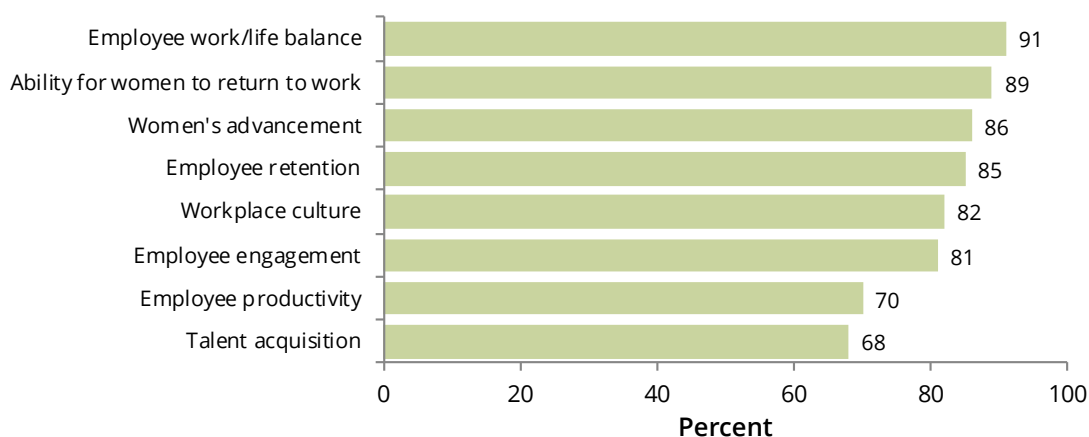
### E-PULSE SURVEY

To understand how employers are responding to the MB (Amendment) Act, an e-pulse survey was administered by email. The survey took less than 15 minutes to complete and participation was anonymous. It had 49 multiple-choice questions and was shared with companies in the urban areas. There was strong familiarity with the Act among survey participants (88 percent). Most expressed positive opinions of the legislation in terms of improving gender diversity in the workforce (79 percent) and helping India better invest in children's educational outcomes (63 percent). Most respondents agreed that the Act will have positive business impacts, including in such areas as employee work-life balance, the ability for women to return to work, women's advancement, and employee retention. See figure ES.1.

*"It is a progressive move in line with many developed countries."*

—e-Pulse Survey Respondent

Figure ES.1 Survey Response: "Impact of the MB (Amendment) Act"



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question varied from 224 to 250.

*“[As a result of the MB (Amendment) Act], we have seen retention of employees, talent acquisition, and an increase in women workforce participation to 30 percent.”*

—e-Pulse Survey Respondent

While many survey respondents and roundtable participants acknowledged the positive intentions of the MB (Amendment) Act, some expressed concern. One area of apprehension is the potential for companies to be discouraged from employing women due to the cost associated with mandates in the Act. The government is considering ways to address these concerns, including the establishment of a proposed Maternity Benefit Fund, which is in the Draft Labour Code for Social Security and Welfare. It is envisaged that the proposed fund will shift liability of maternity benefits to the Maternity Benefit Fund, so if an employer fails to cover employees under the maternity benefit scheme, the workers can be provided the benefits from the fund. Despite some concerns, compliance with the Act is high among survey respondents: most employers responding to the survey have implemented the maternity leave increase to 26 weeks (90 percent), the protocol for informing women about the Act (82 percent), and a process that allows the option for working mothers to work from home (67 percent).

## EMPLOYER CRÈCHE MANDATE

Of all the components outlined in the MB (Amendment) Act, findings from the survey indicate meeting the mandate to provide a crèche provision at worksites with at least 50 employees is particularly challenging. Just under half (49 percent) of the survey respondents provide access to a crèche provision. Key challenges with providing a crèche as indicated by survey respondents include:

- **Quality.** Finding existing crèches that meet quality standards
- **Location.** Finding or locating care near the worksite
- **Compliance.** Needing guidelines for compliance with the Act

A workplace crèche, if implemented with educational support, can have important benefits to working parents, children, and society (IFC 2017). Educational experiences for young children can enhance (or hinder, if not provided) future cognitive and emotional well-being and adult outcomes. The delivery of services to young children is therefore a critical part of the crèche provision. Understanding quality, educational experiences for young children and challenges supporting childcare workers are integral to the success of a crèche solution. By recognizing the fiscal impact on crèche provisions based on decisions about employee demand, crèche models, quality standards, liability, and accepted best practices, employers can make strategic investments that support the goals of the business and the needs of employees. Finally, the ongoing acknowledgement of the potential benefit from employer involvement in the provisions of high-quality care and education for young children and working parents cannot be understated and should be evaluated going forward.

*“We have been able to hire a lot of women from diverse backgrounds, reskill them, and provide a much more dignified model of employment. This has brought a lot of inclusiveness in terms of hiring and greater empathy and better understanding of all backgrounds.”*

—e-Pulse Survey Respondent  
with Crèche at Facility

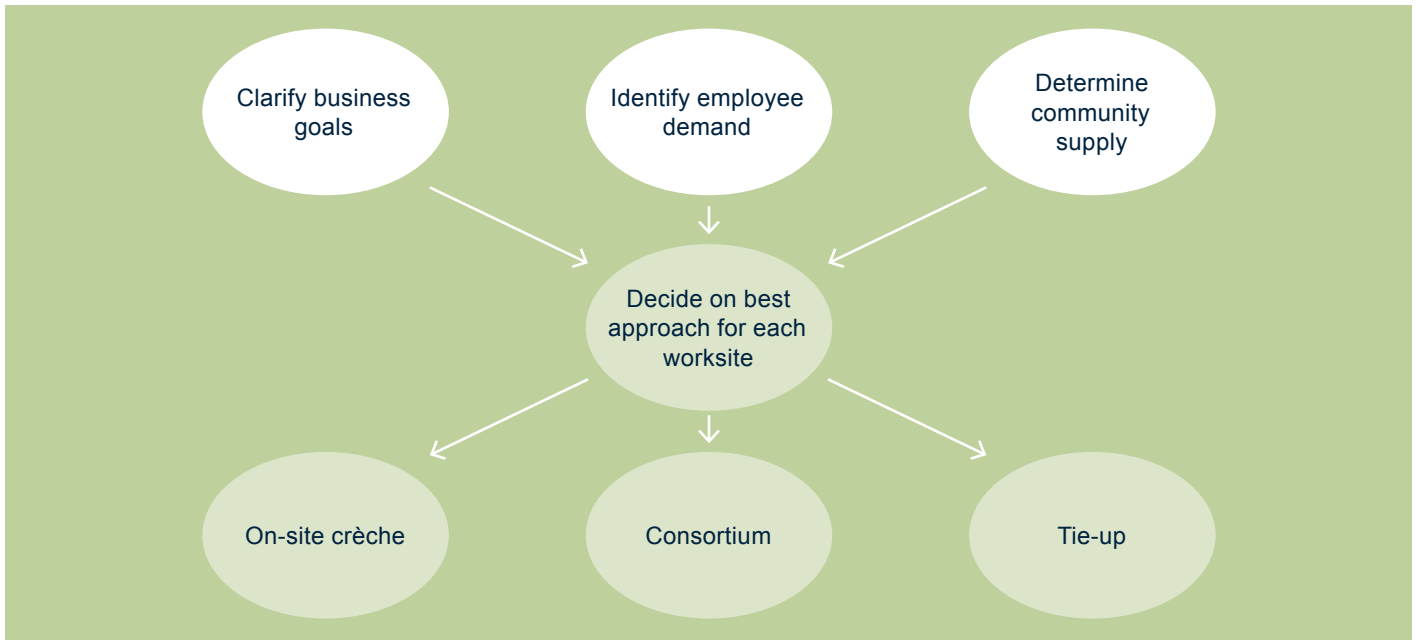
## RECOMMENDATIONS

While state-level government has responsibility for the guidelines of the MB (Amendment) Act, this report offers insights on what employers request to successfully implement the Act’s requirements. Childcare is a working parents’ challenge—and not just a challenge for women. Top leadership should be engaged in embedding childcare in overall family-friendly policies. Crèche provision is one potential way for employers to support their staff needs. It is recommended for employers to partner with childcare providers, either commercial providers or nongovernmental organizations (NGOs), to meet their employees’ childcare needs.

## EMPLOYERS

The three main steps for an employer in determining the best crèche approach for each worksite with 50 or more employees are (i) clarifying the organization's business goals, (ii) identifying employee demand, and (iii) determining the community supply of childcare near the worksite. After these assessments, an employer can determine whether an onsite crèche, a consortium crèche with other nearby employers, or a tie-up with an existing community crèche is the best approach. Employers with multiple locations may find that the best approach will vary by worksite. After a decision is made, the next step is to measure and track the value of the crèche against the organization's business objectives.

**Figure ES.2 Crèche Component of the Maternity Benefit (Amendment) Act Mandate**



## GOVERNMENT

Recommendations on how the Indian government can support successful employer compliance of the MB (Amendment) Act fall into three categories. The first centers on encouraging states to enact their guidelines while facilitating outreach to stakeholders so their voices can be included in the development and monitoring of the guidelines. The second category determines ways to increase the availability of space for crèches near employer worksites, such as enacting crèche requirements in office building developments or providing real estate tax relief for employers or developers that establish crèches. The third category provides employers with resources necessary to comply with the Act and increase the quality care for India's children through efforts such as technical assistance for crèche planning, educational training systems to build the supply of trained crèche teachers, and an online childcare registry system to match trained teachers with crèche facilities needing workers.

**Figure ES.3 Recommendations for the Government to Support Success of Maternity Benefit (Amendment) Act**



## INVESTORS AND DONORS

Investors and donors can support the sustained growth of a childcare economy. This includes partnering with crèche providers, funding ongoing efforts for quality standards, promoting high-quality education for children across India, and supporting the training and certification of childcare workers who will be required to meet the demand of the growing crèche market. To ensure sustained growth of this emerging sector, more investors are needed to provide growth capital to entrepreneurs. Investment will be needed for market entry, expansion of infrastructure, and rollout of locations for childcare providers. Capital will be needed for teacher training and introducing new approaches toward childcare provision. Investment will accelerate the development of this sector, which promises to deliver transformative results throughout the country.

## CONCLUSION

To benefit working parents and young children in India, it will be essential that the MB (Amendment) Act implementation be informed by this report. The government's commitment and consideration for access to a crèche provision will enable working parents, and in particular women, to remain in the workplace after the birth or adoption of a child. Awareness campaigns, roundtable discussions, and dialogue will showcase to employers that the impact of providing childcare through their benefits program will often outweigh the expense. The cost of retaining talent through employee benefits that include childcare may be far lower than the cost of hiring and training new talent. Employers will benefit from tapping into an underused talent pool, particularly of women, by implementing strategies that allow talented parents to join, fully participate, and stay in the workforce.



# CHAPTER 1

## INTRODUCTION

This report aims to contribute to the growing need for India-based organizations to support employees and their dependent care needs. Understanding how childcare provisions can support employees, including their mobility, retention, and career aspiration, is one area of focus. Childcare provisions benefit the competitiveness and productivity of companies while improving parents' (including women's) access to better job opportunities and income; ultimately these provisions support the closing of gender gaps.

This report identifies how employers can implement a crèche strategy to not only meet the Maternity Benefit (MB) (Amendment) Act but also to do so in a way that can help working parents, young children, and employers' bottom line. The International Finance Corporation (IFC) led a partnership to conduct research on the current state of employer readiness to implement employer-supported childcare, and to identify the characteristics of key business drivers that are important to address in meeting the mandate of the MB (Amendment) Act. The partnership comprised a global childcare provider, Bright Horizons; an Indian information technology (IT) body, the National Association of Software and Services Companies (NASSCOM); an Indian law firm, J. Sagar Associates; and a global financial institution, Goldman Sachs. The partners surveyed nearly 300 firms, organized roundtables to solicit qualitative information, and published a report with recommendations for stakeholders to increase private sector compliance with the new childcare law. The partnership had a twofold agenda: (i) to promote the business case and business drivers for employer-supported childcare in India, and (ii) to offer potential solutions for employer-supported childcare in India.

India has a young workforce, with most employees in many organizations under the age of 30. Women's labor force participation in India has declined from 30 percent to 27 percent in the last four years (ILO 2017), and India has one of the world's largest gender

gaps when it comes to labor force participation, with women generating only 17 percent of gross domestic product (GDP) (McKinsey Global Institute 2018). Despite gender gaps in education narrowing rapidly in India, such social factors as the lack of job creation that attracts women; lower recruitment that accounts for the decline in female labor force participation; and the role of caregiving in women's employment can lead to issues around retention of women and the "leaky pipeline" contributing further to this decrease. Closing the gender gap in India could add US\$700 billion to its GDP by 2025, with India having the highest relative potential for GDP growth from advancing women's equality compared to other economies (McKinsey Global Institute 2015).

A significant amount of women do not participate in the workforce, or quit their jobs to take care of children and the elderly. OECD (2018) data reveal that Indian women spend approximately 352 minutes a day on unpaid work as compared to that of 51.8 minutes by men.

With increased urban migration, families no longer have the social infrastructure to help with childcare. In India, the number of children aged five or younger according to UNICEF (2017) is approximately 120 million with a low pre-primary school gross enrollment ratio of 13 percent for boys and 12 percent for girls, suggesting that more than 100 million children are not enrolled.

Across the globe, childcare remains a key economic barrier to working parents and women in particular, because of the reliance on unpaid, mostly female labor to care for children. World Bank data finds that at most, half of the children aged three to five years old in low-income countries (LICs) participate in some form of early childhood education, typically a few hours daily<sup>1</sup>. Parents cannot participate fully in the workforce with care being available for only a few hours a day.

<sup>1</sup> See the World Bank database WBL, <https://wbl.worldbank.org>, accessed 2018.

In India, the government has made a concerted effort to remove childcare as a barrier to parents’—particularly women’s—participation in the workforce. Embedded in India’s 2017 MB (Amendment) Act is a provision to address childcare in the workplace. The mandate requires that employers with 50 or more employees at a worksite provide a workplace crèche solution. See table 1.1.

**Table 1.1 India Policies**

LEAVE POLICIES	
Paid maternity leave	Yes (182 Days)
Paid paternity leave	No
LEGAL OBLIGATION FOR EMPLOYERS TO SUPPORT CHILDCARE 0–2 YEARS, 3–5 YEARS	
Obligation for employers to support childcare	Yes
Based on the number of female employees	No
Based on the number of employees regardless	Yes (50 or more employees at worksite)
GOVERNMENT INCENTIVES TO EMPLOYERS TO SUPPORT CHILDCARE	
Tax benefits to employers to support childcare	Yes
QUALITY OF PRIVATE CHILDCARE SERVICES	
License or registration required	Yes
Zoning requirements	No

Source: IFC 2017.

## MATERNITY BENEFIT (AMENDMENT) ACT

The MB Act (1961) regulates and protects the employment of women after childbirth and entitles a woman to a “maternity benefit” that is fully paid when absent from work to take care of her child. The Act is applicable to all establishments employing 10 or more people. To be eligible for the maternity benefit, a woman must have been working as an employee in the establishment for at least 80 days in the past 12 months. Payment during the leave period is based on the average daily wage for the period of actual absence.

The MB (Amendment) Act (2017) includes several new mandates that greatly enhance employers’ responsibility to

offer benefits that support employees and their families. Key aspects of the MB (Amendment) Act include:

- Increased paid maternity leave: the duration of paid maternity leave available for women employees from the existing 12 weeks to 26 weeks
- Prenatal leave extended to eight weeks
- Maternity leave of 12 weeks for adoptive and commissioning (surrogacy) mothers
- Work from home option: may be exercised after the expiration of the 26-week leave period
- Employee awareness: mandatory for employers to educate women about the maternity benefits available to them at the time of their appointment
- Crèche facility: mandatory for every establishment employing 50 or more employees; women employees would be permitted to visit the crèche four times during the day

One component of the new MB (Amendment) Act mandates that companies with more than 50 employees, regardless of the gender, must provide a childcare facility either on company premises or in the community from which they source employees. The guidelines will be rolled out state by state, with each state in India having its own set of guidelines. Many states have not yet provided guidance on how the MB (Amendment) Act will be enforced and what penalties organizations are to expect, but the roundtables held as part of the IFC/ Bright Horizons study brought together state labor commissioners and stakeholders from the private sector to discuss what to expect.

In the absence of state guidelines, companies are looking at other legislation for guidance, including the 1948 Factories Act, the 1966 Mine Crèche Rules, and the 2017 Maternity Benefit (Mines and Circus) Amendment Rules. The guidelines exist for mine operators because the mines are covered by federal law, whereas other industry sectors, such as commercial establishments, are covered by state law. See box 1.1 for highlights of the 1966 Mine Crèche Rules. These existing guidelines may influence or shape the guidelines that each state must devise to oversee the implementation of the mandate. The findings from this report may also help inform the states’ guidelines.

Many have acknowledged the positive intentions of the MB (Amendment) Act for India, but some have expressed concern. One area of apprehension is the potential for companies to be discouraged from employing women due to the cost associated with mandates in the Act, including extended maternity leave. Governments pay 100 percent of maternity leave benefits in 96 of the 189 economies included in the Women, Business and the Law (WBL) database and 50 percent or more in another 27 economies<sup>2</sup>. In comparison, employers pay 100 percent of leave benefits in 53 of the economies covered. Some economies are shifting away from separate maternity and paternity leave language in favor of parental leave terminology. India is considering ways to address costs related to maternity leave. At the Delhi roundtable, as part of this study, the joint secretary, Ministry of Labour and Employment, shared preliminary thoughts on the proposed Maternity Benefit Fund for India. A part of the new Labour Code on Social Security, the Fund would address this concern (Labour Code on Social Security 2018, Version 2.0, March 2018). He shared that *“the proposed fund is intended to shift liability of maternity benefits to the Maternity Benefit Fund, in which the subscription amounts will come from the contribution received. If an employer fails to cover employees under the maternity benefit scheme, the workers shall be provided the benefits from the fund, and recoveries can be made by the employer from the fund.”* In addition, employers whose employees are covered by Employees’ State Insurance (ESI) may be able to mitigate costs of the maternity leave requirement by accessing ESI. (See box 1.2.)

Increasing maternity leave, considering a work-from-home option, and providing access to a workplace crèche can have many implications for employers. This report takes a deep dive into areas requiring further exploration and seeks to identify strategies to help several of the stakeholders (federal and state governments, employers, childcare providers, and investors) respond to the employee supports outlined in the MB (Amendment) Act. Working families in India along with employers can benefit from a successful rollout of the MB (Amendment) Act that in its implementation should be supportive of both employees’ needs and employer workforce priorities.

### Box 1.1 Provisions of the 1966 Mine Crèche Rules

Important provisions of the 1966 Mine Crèche Rules that mine establishments need to comply with are outlined below. Employers may want to familiarize themselves with the Crèche Rules, which could serve as a reference in further developing state guidance on the topic.

- **Definition of crèche.** Crèche means a room or rooms with ancillary accommodation reserved for the use of children up to six years old.
- **Types of crèches.** Four types of crèches: A, B, C, and D, depending on the number of women. The Crèche Rules schedule provides description of these.
- **Setup standards.** The standards to be adhered to with respect to setting up of a crèche, such as:
  - It has to be adequately lit, properly ventilated, and afford effective protection from all kinds of weather.
  - The flooring should be of cement or stone and the ceiling should be at least four meters high.
  - The interior walls should be lime-washed at least every six months and woodwork should be lime-washed every three years.
  - Clean and sanitary conditions should be maintained.
- **Distance of crèche.** It should be within 500 meters of the establishment.
- **Opening and closing of crèche.** It should remain open, day and night, when female employees are working.
- **Use of crèche.** It should be restricted to children, their attendants, the supervisory staff, and such other persons as may be related to or concerned with the children in the crèche. The use of the crèche facility is proposed to be extended to children of temporary, daily wage, consultant, and contractual workers.

2. See the World Bank database WBL, <https://wbl.worldbank.org>, accessed 2018.

## Box 1.2 Employees' State Insurance Act

The Employees' State Insurance (ESI) Act (1948) is applicable to all factories and other select establishments. Establishments whose female employees' wages are up to Re 21,000 and who have contributed for a period of at least 70 days are covered by ESI. While the MB (Amendment) Act applies to all female employees, companies whose employees are covered by ESI will not have to pay the remuneration for maternity leave for eligible employees.

## Childcare Trilemma: A Global Issue



Many working parents around the world share a common experience: the childcare trilemma. Parents need high-quality early education for their children that is accessible and affordable. Employers have played an important role helping their employees navigate the issues of the childcare trilemma by providing benefits and supports. Examples of employer-supported resources used by organizations to help working parents include financial support, information, direct care, workplace policies, and programs. Table 1.2 is derived from Bright Horizons' employer resources and additional resources provided by IFC (2017).



**Table 1.2 Types of Employer-Family Supports**

<p><b>Direct care</b></p>	<ul style="list-style-type: none"> <li>• <b>Worksite crèche.</b> Full-day early care and education at or near the worksite for employees' children.</li> <li>• <b>Tie-up.</b> Employee childcare arranged at an existing crèche in the community that is negotiated by the employer.</li> <li>• <b>Consortium crèche.</b> Full-day early care and education provided in cooperation with other businesses to finance childcare.</li> <li>• <b>Backup/emergency childcare.</b> Occasional, temporary childcare arrangement that employees might use when their primary care is not available.</li> <li>• <b>School-age vacation/holiday care.</b> Care for school-age children (ages six to 14) available when school is closed or over summer months when parents have to work.</li> <li>• <b>Extended hours.</b> Expanding the hours of operation of preceding programs to accommodate early mornings, late evenings, or weekends.</li> </ul>
<p><b>Financial support</b></p>	<ul style="list-style-type: none"> <li>• <b>Childcare voucher.</b> Voucher subsidy that can be used to help pay for childcare arrangements that meet certain requirements.</li> <li>• <b>Employer-supported sliding fee scale.</b> Funding of childcare program to offer reduced tuition to financially eligible families.</li> <li>• <b>Crèche discounts.</b> Negotiated discount rates at one or more community-based crèches.</li> </ul>
<p><b>Informational services</b></p>	<ul style="list-style-type: none"> <li>• <b>Information and referral services.</b> Similar to an employee assistance program, this service provides employees counseling on choosing childcare and other relevant information (e.g., locally available childcare, fees, and hours).</li> <li>• <b>Resource fairs.</b> Worksite events at which local vendors distribute information to employees about community resources.</li> </ul>
<p><b>Workplace policies</b></p>	<ul style="list-style-type: none"> <li>• <b>Parental leave.</b> Time off from work to care for a new family member.</li> <li>• <b>Flexible scheduling.</b> Allowing employees to select from various schedules such as varied starting and stopping times within employer limits, compressed work weeks, and reduced schedules.</li> <li>• <b>Telecommuting.</b> Ability to work all or part of the time from home or another virtual location.</li> <li>• <b>Use of sick days for dependent care needs.</b> Allowing employees to access unused sick days for times when children are sick or otherwise at home.</li> </ul>
<p><b>Workplace programs</b></p>	<ul style="list-style-type: none"> <li>• <b>Return to work (“returnship”) supports.</b> Programs to assist new parents in returning to work, including, for example, mentoring programs, lactation support, new parent coaching, phasing back to work, and sensitization programs for managers.</li> <li>• <b>Family care affinity groups.</b> Workplace networks of employees with shared experiences on childcare, parenting, and work-life integration.</li> </ul>

While financial supports such as childcare vouchers can provide working families with help paying for childcare with the employer, either reimbursing the employee for care or paying the provider directly, they do not necessarily help increase the supply or quality of care. Although sharing information about existing programs can be an important support strategy, this is not likely to increase the supply, quality, or affordability of existing care either. These options work well only if there is a sufficient supply of high-quality care in the market that meets the needs (hours and location) of families looking for childcare.

Depending on the local challenge, employers can address the childcare trilemma for their employees by providing high-quality, affordable, and conveniently located care. In doing so, employers can eliminate a significant source of worry, stress, and distraction, and as a result can benefit from engaged and committed employees who are often willing and able to put forth their best performances and are less likely to leave the company.

*“The most immediate concern for policy makers, therefore, should be to alleviate the constraints that women face in choosing to enter the labour market and address the barriers they are confronted with once they are in the workplace.”*

—International Labour Organization 2017

Early care and education are becoming essential components of employer strategies for talent acquisition in India. The Talent Shortage Survey database, released in June 2018 by the ManpowerGroup, finds that around the world, “employers are facing the most acute talent shortage in 12 years.”<sup>3</sup> India is among the top 10 most-affected markets. Attracting employees and retaining them across the life stages are increasingly viewed as being critical to an employer’s success. Young parents often struggle with increased conflicts between work and family, which in some cases can result in employers losing employees. Recognizing the importance of these critical demographic groups and the connection between employees’ family care responsibilities and their ability to be productive at work, numerous employers have made childcare an important part of their employee effectiveness strategies.

Nationally, early education has been viewed as a critical factor for all children and families. The relationship between access to early education for young children and child outcomes continues to be measured through research, including Singh and Mukherjee (2017), which focuses on child poverty. Its work demonstrates the relationship between the quality of preschool, as perceived by caregivers, and the three developmental variables at age 12. The research shows that children of caregivers who perceived the preschool to be of good quality performed better in cognitive tests and had higher subjective well-being compared to children whose parents reported their child’s preschool to be of “bad” quality.

## METHODOLOGY

Two methodologies were used to gather data for this report. A survey identified potential opportunities, barriers, and challenges to how organizations will respond to the mandate and potentially go beyond compliance, including organizations’ perceived preferences of employees to ensure that solutions are informed by demand. The additional methodology of using roundtable discussions for data gathering was to provide a medium to obtain qualitative data and validate the preliminary findings from the survey.

**E-pulse survey.** An e-pulse survey is an online survey designed to take a “pulse” or snapshot on a particular area of focus. Designed by IFC and Bright Horizons with inputs from its private sector partners, an electronic survey was distributed to approximately 300 employers throughout India between April 9, 2018, and May 28, 2018. The tool has questions about the worksite, such as number of employees, status of dependent care supports, and benefits. Questions about the business challenges are categorized to help analysts understand how the organization might benefit from specific workplace supports. Respondents shared whether or not a workplace crèche is offered, how it is provisioned, and its use. The survey identified awareness of the MB (Amendment) Act, levels of compliance, and challenges to complying. The survey was anonymous to encourage respondents to be candid.

*Over half (58 percent) of the data collected in the e-pulse survey came from respondents with senior-level positions, including the C-Suite. Senior-level engagement on these issues is an important indicator for organizations being strategic in integrating compliance with the mandates of the MB (Amendment) Act and their business objectives.*

Benefiting from all partners' networks, invitations to participate were sent to senior leaders and professionals through different means (including social media) to afford inclusion from employers of various industries and workforce sizes. The profile of the final 255 survey respondents can be found in the appendix A, table A.1. One-third of the respondents are from domestic firms (33 percent), while two-thirds (67 percent) are multinationals. Most respondents were from the IT sector, because they were NASSCOM members.

**Roundtable discussions.** Roundtable sessions added more qualitative explanation to the study findings. Given that the responsibility for developing guidelines that govern the MB (Amendment) Act implementation lies with different states, roundtable discussions were held in three states with key stakeholders to share the preliminary results of the survey; hear from the government (federal and state representatives from the Ministry of Labor and Employment) about the MB (Amendment) Act intentions; and engage employers on the topic of implementation by hearing their questions, comments, and best practices. The roundtables provided advice and insights to stakeholders about best practices for investing in a workplace crèche to meet the needs of the business as well as the needs of employees and their families. Government representatives shared insights on the spirit of the legislation and the role that state governments are likely to play in implementing the mandates. The crèche provision of the MB (Amendment) Act became effective on July 1, 2017, but most state guidelines are still being written. Employers could ask government representatives questions about the MB (Amendment) Act and seek clarifications. Many questions and comments had to do with the implementation of the crèche component to the mandate.

Over 175 participants shared their views and questions at these sessions. Participants included employers, childcare practitioners, researchers, and state and federal government representatives. Findings from the roundtable discussions are highlighted throughout the report in relevant sections (see box 1.3 for highlights). The three roundtable dates and locations were (i) May 14, 2018, in Delhi, hosted by the World Bank with 53 participants; (ii) May 18, 2018, in Mumbai, hosted by the IFC with 62 participants; and (iii) May 22, 2018, in Bengaluru, hosted by Goldman Sachs with 62 participants.

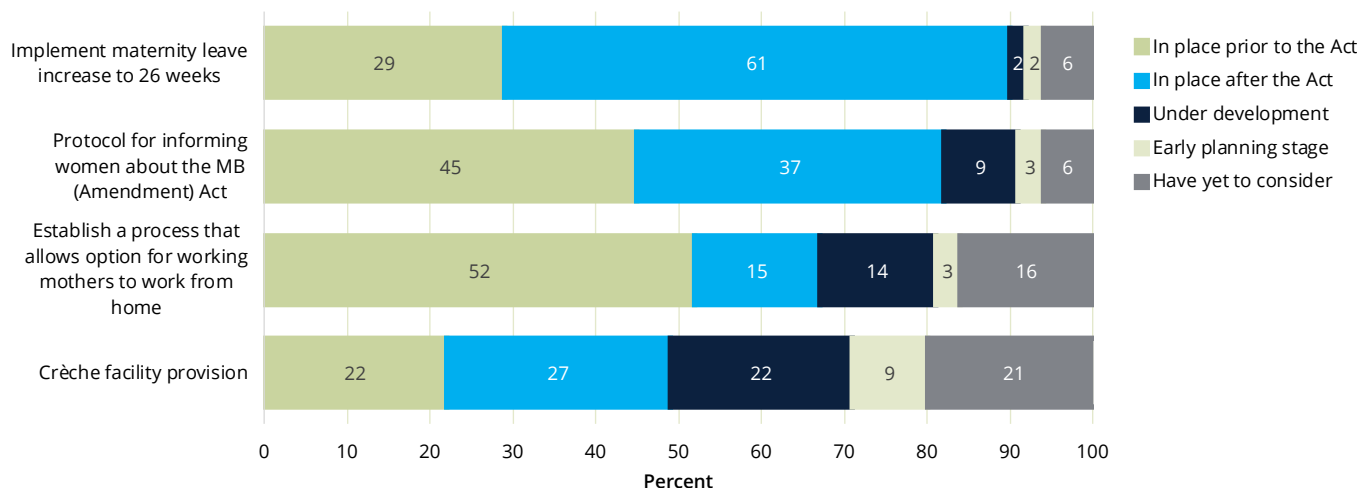
### **Box 1.3 Ministry Roundtable Contributions**

- In Mumbai, the ministry representative clarified that the spirit of the law intends to focus on “employees” (women and men) in regard to the crèche mandate, while the other features primarily focus on women, such as maternity leave extended to 26 weeks.
- The ministry representative in Delhi shared that the government's focus on empowerment of women through initiatives is aimed at increasing their financial inclusion, providing education for girls, and using childcare to promote retention of women in the workforce. The ministry representative also mentioned establishing the Maternity Benefit Fund to address the concern of the cost of providing maternity benefits.
- In Bengaluru, the ministry representative stated that the purpose of the provision was to protect the employment of women and that corporations should not look to cut corners toward compliance. He also mentioned that to reach India's inclusive growth targets, this is a necessary and important piece of legislation to help the 1.8 million women workers in the formal sector and to promote more female labor participation.

**Findings.** The e-pulse survey to employers provided data that shaped the focus of the report. Just under half (49 percent) of the surveyed respondents had a workplace crèche provision, demonstrating difficulty in responding to this aspect of the MB (Amendment) Act. In fact, 21 percent of respondents have yet to consider the crèche

component of the MB (Amendment) Act, even though the requirement for a workplace crèche option went into effect in July 2017. Since that time, one in five organizations have yet to consider how they will move forward in the crèche provision. Survey respondents were also asked about the status of implementing three other key provisions of the MB (Amendment) Act: (i) implementation of the 26-week maternity leave; (ii) a protocol for informing women about the MB (Amendment) Act; and (iii) a work-from-home process. Almost all respondents (90 percent) have the 26-week maternity leave, 82 percent have a protocol in place for informing women about the MB (Amendment) Act, and 67 percent have instituted the flexibility for women to work from home.

**Figure 1.1 Survey Responses: “Status Implementation of the MB (Amendment) Act”**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 255.

*“Returning mothers are encouraged to consider work continuity rather than choosing to stay at home and ignore their careers.”*

—e-Pulse Survey Respondent

Given the lower compliance with the crèche provision and that respondents indicated that the crèche facility provision of the MB (Amendment) Act is the most challenging component to implement, this report focuses on information and strategies that can help an organization take the first step toward crèche implementation. The report discusses implications for employers who seek to meet and exceed the mandates of the MB (Amendment) Act and how employers can leverage the process to support business outcomes such as retention and productivity. It also presents insights on the employer-supported childcare business case and quality indicators for a workplace crèche, along with recommendations that may greatly enhance the employer response and overall implementation of crèche provisions. It is hoped that this information will be useful to the government, particularly at the state level, when enacting the guidelines that will govern the law.



## CHAPTER 2

# BENEFITS OF WORKPLACE CRÈCHE INVESTMENTS

Many employers around the world acknowledge the business case for investing in a high-quality childcare program for employees. Whether it is targeting specific workplace settings, such as a call center environment, or responding to local competitive challenges, employer-supported childcare can be leveraged to address business needs. One successful example is Mindtree, India's global IT consultancy company headquartered in Bengaluru, which has a comprehensive approach to be a "best-in-class" employer. Featured in IFC's global *Tackling Childcare* report (2017), Mindtree's childcare center is contributing to a steady increase in the proportion of women among new Mindtree recruits in India, rising from 26 percent in 2013–14 to 31 percent in 2015–16. After deciding to make a concerted effort to address gender diversity, Mindtree created Little Critters, a full-service crèche onsite at the Bengaluru worksite in 2009. It is highly valued by their employees. Supporting employees outside of Bengaluru required additional supports that leveraged the local resources in the communities. This included a tie-up in some locations, and programs onsite for backup childcare for employees. As a result, in 2016, almost one-third of the workforce was women (28 percent), many of whom have young children. Mindtree was also recognized as one of the top 10 firms for women in India in 2016.

Another example is a global financial company that engaged Bright Horizons to develop a strategy to respond to recruitment issues in call centers. This strategy targeted five call center settings and resulted in workplace childcare centers to respond to the increase in demand for childcare, particularly for infants. A key differentiator of these childcare facilities was the emphasis on educational programming and a sliding fee scale used to subsidize the cost of care for income-eligible employees and their families. Call center employees typically have lower household incomes, which can make affording childcare challenging. The approach is outlined in table 2.1. The examples of Mindtree (IFC 2017) and Bright Horizon's strategy for the global financial organization illustrate how companies can use the support of childcare provisions to address both business needs and employee childcare challenges.

Mindtree has a goal of increasing its gender diversity, particularly at management levels. This global IT consulting company is in a highly competitive labor market. To address challenges of retaining women in leadership roles, Mindtree has "tackled childcare" by:

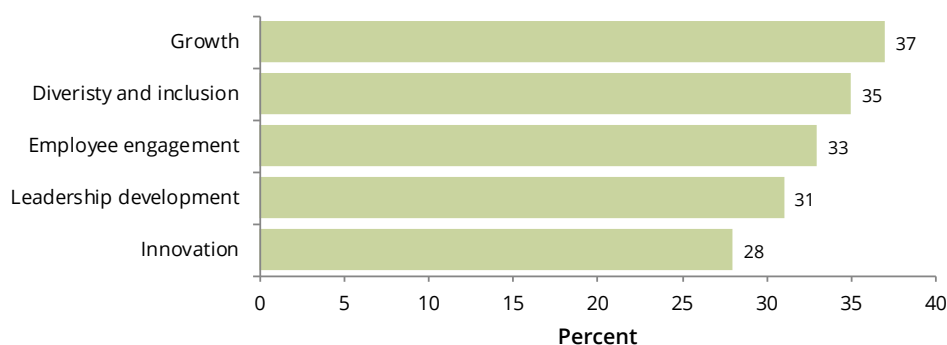
- Providing access to childcare onsite or nearby that responds to the needs of working parents
- Negotiating "tie-up" access to local childcare providers at a subsidized fee
- Offering a Baby's Day Out backup care program for parents to bring their child to work, which provides work space for parents, toys and materials for children, equipment, and a helper to support activities

**Table 2.1 Case Study of Onsite Childcare Strategy**

<b>Employer</b>	<p><b>GLOBAL FINANCIAL TRANSACTION COMPANY</b></p> <ul style="list-style-type: none"> <li>• Operates in more than 100 countries</li> <li>• Serves hundreds of millions of customers worldwide</li> </ul>
<b>Challenge</b>	<ul style="list-style-type: none"> <li>• Developed call centers in areas in which space and labor costs are low</li> <li>• Workforce demographics: 64% female, 69% under age 45</li> <li>• Difficult to attract employees because of childcare issues: availability, affordability, and quality, especially for infant care</li> <li>• Organization has a strong focus on education</li> </ul>
<b>Strategy</b>	<ul style="list-style-type: none"> <li>• Partnered with Bright Horizons to develop an onsite childcare strategy</li> <li>• Built onsite centers managed by Bright Horizons at five call center locations</li> <li>• Subsidized tuitions for employees on a sliding fee scale at 35% to 40% off market rates</li> <li>• Marketed the high quality of early education centers to potential applicants, especially hard-to-recruit millennial managers</li> </ul>
<b>Outcome</b>	<ul style="list-style-type: none"> <li>• Very positive return on investment quantified in the early years of the centers</li> <li>• Higher retention and performance, along with lower absenteeism for center users versus the overall population</li> <li>• Business continuity maintained during emergencies (critical staff and children accommodated 24/7)</li> <li>• Lower-income employees’ children were provided with strong tools to prepare them for future educational success</li> </ul>

Many global companies go beyond regulatory requirements and view workplace crèche provisions as an investment. Workplace crèches can be a key part of an organization’s talent management strategy. Understanding how a crèche can impact the business was an important part of this study’s investigation. The e-pulse survey was designed to collect information about business priorities to determine what the organizational challenges are at the worksite. The top five priorities identified by survey respondents were growth, diversity and inclusion, employee engagement, leadership development, and innovation (see figure 2.1).

**Figure 2.1 Survey Responses: “In the Next 12 Months, What Are Your Organization’s Greatest Business Priorities? Please Select the Top Three”**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 213.

## BENEFITS TO BUSINESS

Respondents to the IFC/Bright Horizons e-pulse survey recognize that the MB (Amendment) Act can have a positive impact on many aspects of business, specifically employee work-life balance, the ability for women to return to work, women’s advancement, employee retention, workplace culture, and employee engagement. These findings can be useful as human resource professionals seek to engage senior leaders in “connecting the dots” as to how implementing the MB (Amendment) Act can support key business drivers. See figure 2.2.

### What impact will the MB (Amendment) Act have on an employer’s business drivers?

**79%** of respondents agree that the MB (Amendment) Act will **improve gender diversity**

**71%** agree it will help **promote employee productivity**

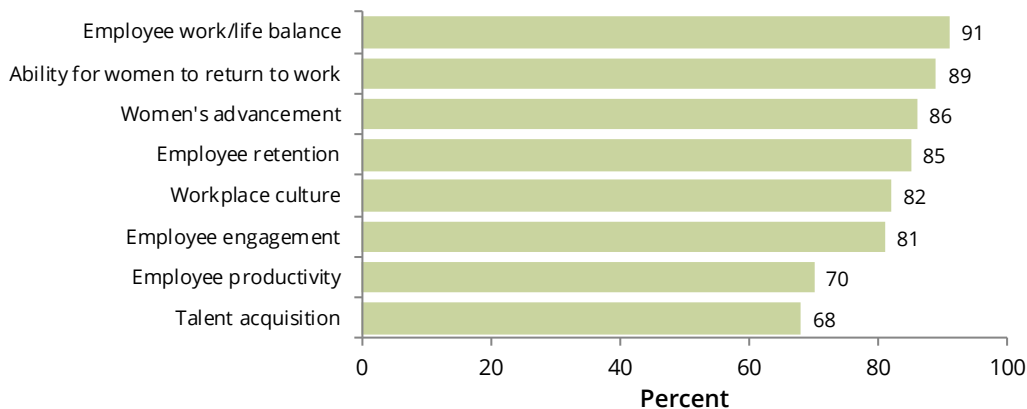
—e-Pulse Survey Data

### How has the MB (Amendment) Act influenced your workplace?

*“It makes for an inclusive culture that strongly benefits the overall culture of the organization.”*

—e-Pulse Survey C-Suite/Executive Respondent

Figure 2.2 Survey Responses: “Positive Business Impact of the MB (Amendment) Act”



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question varied from 224 to 250.

## BENEFITS TO PARENTS

While the MB (Amendment) Act has specific requirements for women, the crèche component is gender neutral. Parents at the worksite can benefit from the provision of a crèche. In fact, many companies have revised existing policies and benefits, such as paid leave, to include fathers. At Deutsche Bank, a new parental leave policy rolled out in 2017 in India refers to the “primary caregiver” as eligible for leave. Gender-neutral language allows fathers to take up to six months parental leave. Johnson & Johnson in India allows eight weeks paid leave to new fathers. These efforts are critical to building the support for working parents. An interesting 2018 study of 1,700 fathers was conducted by Flipkart, one of India’s major e-commerce companies. The study finds that a growing number of Indian fathers are “putting in as much work raising their kids as the moms are.” It documented the hopes and dreams of today’s fathers,

and how fatherhood changes the aspiration of men. Findings show fathers in Bengaluru contributed the most time for their children, and fathers in Hyderabad contributed the least. Eighty percent of fathers attend school activities regularly and half said they wouldn't mind being a stay-at-home dad.

*"Affordable daycare is essential to empowering women."*

—Arijit Nandi, IDRC/CRDI 2016

A father interviewed for the 2017 IFC Mindtree business case study<sup>4</sup> said:

*"I was offered a salary from another company that was 30 percent higher, but declined the offer, as I wanted to stay at Mindtree, where I could visit my young son two or three times a day in the onsite crèche."*

*"Women can return to work after the six months break. We've had more women opting to return to work rather than taking a break in their career."*

—e-Pulse Survey Respondent with Crèche in Place

Data from 2013 research by Bright Horizons and a financial institution in India highlight how employees felt about becoming a working parent and about successfully maintaining career aspirations. In focus groups, employees commented on the absence of a high-quality care option for young children as one of the key reasons women elect not to return to work after the birth or adoption of a child. Researchers note that this phenomenon, women taking career breaks, has contributed to the gender pay gap disparity between men and women<sup>5</sup>. The economy suffers when women are unable to fully participate in paid labor. Developing strategies that will support parents to be successful at work is one of the top areas of focus by employers' diversity and inclusion efforts, and childcare provisions are an important benefit to consider. According to a 2013 survey of 330 human resources professionals (Bright Horizons/NHRD 2016), more than half (59 percent) identified a workplace crèche as "very effective" in supporting the retention of women.

Bright Horizons data (2017) from parents using a workplace center find the following impacts on working parents:

- Eighty-four percent of female managers reported the childcare center has positively impacted their ability to pursue or accept a higher position
- Ninety-four percent of all respondents (men and women) reported the center has positively impacted their ability to integrate their personal and professional demands
- Seventy-nine percent of all respondents said access to an employer-sponsored center reduces the amount of stress they face in managing their work and personal responsibilities

By eliminating stress and supporting work-life integration, the impact of a workplace crèche benefit can make a big difference in the retention of mothers and fathers as they raise a family. In addition, with the importance of career aspirations growing as steadily as India's middle class, the option to have dual-earning households with children is further enabled with the investments toward childcare.

## BENEFITS TO CHILDREN

Data on the importance of the early years for children are well documented. A Harvard University (2017) report highlights how early childhood experiences affect the quality of the architecture of the brain by establishing either a sturdy or a fragile foundation for all the learning, health, and behavior to follow. In the first few years of life, more than 1 million neural connections are formed every second. The type of care and education children receive in the first few years of life is critical for their future success as adults. Almost two-thirds of respondents to the IFC/Bright Horizons e-pulse survey (63 percent) agreed that the MB (Amendment) Act will help India better invest in children's educational outcomes and therefore contribute to the country's overall ability to thrive.

*“Children in India who entered preschool at an early age (below four years old) were more likely to have good cognitive achievement scores and subjective well-being than children who entered preschool at a later age.”*

—Singh and Mukherjee 2017

The benefits of early care and education to children are outlined in *The India Early Childhood Education Impact Study*, a five-year longitudinal look at India's young children (ASER Centre 2017). The report establishes the link between school readiness and early care and education. Working parents are looking for opportunities that not only find care but also education for their children while they are at work. With commutes and long workdays, many parents view care at home in informal settings such as “house help” or with relatives as a viable option, but they are not always preferred primary care arrangements.



# CHAPTER 3

## EMPLOYER CRÈCHE MANDATE

Forty-nine percent of e-pulse survey respondents currently offer a workplace crèche to employees (22 percent of all respondents had a crèche in place before the MB (Amendment) Act and 27 percent began offering a crèche since the passing of the MB (Amendment) Act. In fact, early compliance to the MB (Amendment) Act was one of the top motivations of many respondents (43 percent) for providing the crèche benefit.

In the e-pulse survey, the respondents with a crèche in place were more likely to identify “diversity and inclusion” as a business priority as compared to respondents whose institutions had yet to offer employees access to a workplace crèche. It should also be noted that respondents with crèche provisions were more likely to be a part of a multinational company and to be at worksites with larger employee populations. In the Mumbai and Bengaluru roundtable sessions, attendees cited reasons why more employers have not begun offering a crèche, including concerns on “how to do this,” lack of high-quality supply locally, and confusion about expectations for compliance.

### E-pulse survey respondents with crèche provisions are more likely than those who do not have a crèche to:

- Be a multinational corporation
- Have a larger employee population at the worksite
- Indicate “diversity and inclusion” as a business priority

## UTILIZATION

Use of crèches fluctuates and can be influenced by such factors as size of the workforce, age of employees, cost to employees, and the care environment. One survey respondent’s crèche served the children of 300 employees; on average, however, programs served the children of 29 employees. Approximately three-quarters of the crèches represented in the survey are already accessible to the children of male employees and accommodate part-time schedules. Just under half of the programs are open to contractors or consultants to the employer sponsoring the crèche. Sixty-three percent of the crèches serve children under one year old. See table 3.1.

Survey respondents that have a crèche provision



- 76%** offer access to male employees
- 72%** offer part-time schedules for care
- 46%** offer access to contractors/consultants
- 63%** serve children under a year old

**Table 3.1 Roundtable Learnings: Utilization and Demand, 2018**

CITY	FINDINGS
Mumbai	<ul style="list-style-type: none"> <li>Participants asked a number of questions about the crèche mandate regarding access to contract workers, and to men, and the implications on demand.</li> </ul>
Bengaluru	<ul style="list-style-type: none"> <li>A consulting firm asked what companies should do if there was no demand. Their employees may prefer to leave their children with family, based on social norms and the joint families (extended family members living together). The government representative answered by stating that “the law is the law” and needs to be adhered to. A company must make a provision and inform women upon appointment of such benefits that they can avail, regardless of whether the company expects any actual uptake of the crèche provision.</li> </ul>

## WORKFORCE SIZE REQUIREMENT

The crèche mandates are worksite-specific, and relevant to any location that has at least 50 employees. Therefore, employers with multiple worksites will have to consider the size of the employee population in each location. In the e-pulse survey, 38 percent of the respondents are at a worksite with less than 250 employees, and 12 percent work at a location with an employee population of 5,000 or more.

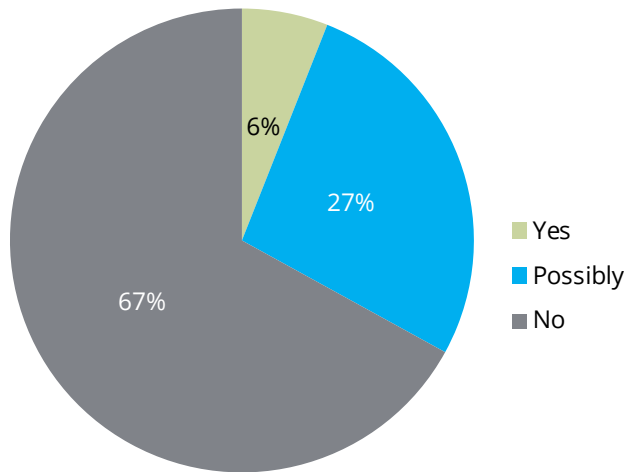
The number of employees at a worksite is a well-known approach the Government of India has used to define when a law is relevant for a workplace crèche requirement. The minimum worksite population is listed here for significant acts:

- Factories Act (1948): **30 women**
- Plantation Labour Act (1951): **20 women**
- Maternity Benefits Act (1961): **50 employees**
- Construction Workers Act (1996): **50 employees**
- MB (Amendment) Act (2017): **50 employees**

During a discussion at the Delhi roundtable, a participant shared the concern that the MB (Amendment) Act could discourage firms from hiring women or set the bar much higher for potential female candidates. In response, a different participant shared that their organization provided sensitization training to their managers to avoid such issues.

The survey identifies a potential pitfall of the MB (Amendment) Act. Respondents were asked if they felt the mandate that work locations with 50 or more employees are required to provide a workplace crèche would impact organizational growth, or at least physical placement of employees (i.e., more small worksites instead of one large worksite). Respondents were divided on their response as to whether they anticipate that organizations will limit the size of their worksites to fewer than 50 employees as a result of the MB (Amendment) Act. See figure 3.1. Two-thirds of survey respondents do not think it will limit worksite size, while one-third said that it might or will limit worksite size. In roundtable discussions, participants noted concerns about the Act’s potential negative impact on hiring women. Advocates, diversity and inclusion representatives, and government should monitor the impact and consequences of the Act and share findings.

**Figure 3.1: Survey Responses: “Do You Anticipate that Organizations Will Limit the Size of Individual Worksites to under 50 Employees as a Result of the Act?”**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of respondents to this question was 218.

## ELEMENTS OF EMPLOYEE DEMAND

The workplace crèche mandate raises questions by employers about how to proceed. For example, what is the demand for childcare services from employees? In the e-pulse survey, 6 percent of respondents whose institutions had a crèche in place **before** the MB (Amendment) Act reported no employee utilization of the crèche, compared to 35 percent of respondents whose institutions developed crèches **after** the Act was mandated.

*Across the world, the average age at which mothers give birth to their first child varies from 18 to slightly above 30.*

—Chartmix 2016

Since the mandate is site-specific, employers may have some locations with 100 employees and others with more than 1,000 employees. As employers begin to consider the demand for childcare, there are several elements that will be useful to understand. The evaluation for each worksite should be explored separately.

The size of the workforce at each site and future projections of growth are important metrics. While there are no hard and fast rules predicting demand because of the variables in each worksite, it is important to consider future needs. Supporting an operationally cost-effective, employer-sponsored crèche demand from a larger worksite is likely preferable. For smaller worksites, meeting the requirements of the mandate with a tie-up (an arrangement with an existing crèche in the community) may be more feasible.

The **gender makeup of the workforce** is important because the presence of a high percentage of female employees is likely to drive up potential demand for childcare support. Women may be more likely to be the primary user of a workplace crèche provision.

The **age of the workforce** impacts demand. Employees in their 20s and early 30s are at the typical life stage for marriage and starting families. When education and career aspirations are taken into account, average age increases. According to the World Economic Forum (2017), the mean age for women giving birth to a first child in India is 27 years and the average number of children per woman is 2.33.

**Employee commutes** will impact use of a crèche. Transportation was a focus during the roundtable discussions. In the survey, 76 percent of respondents noted that “most commutes” for employees were one hour or more to get to work. Top modes of commutes included the following: private vehicle, two-wheeler, taxi, and company-provided.

**Employees’ work hours** will also impact demand. The crèche solution should fit employees’ schedules. Working nights and weekends may represent a lower demand for care because of family logistics. However, in some industries, care during nontraditional hours such as nights and weekends may represent the biggest need, because often childcare providers do not operate during those hours.

The number of employees that might use a workplace crèche provision will vary over time. The typical window of need will be for families with children under six years old. Afterward, a child may transition to an educational institution linked to the primary education in anticipation of primary school.

One employer that has provided access to a crèche facility to its employees for a number of years has benefited greatly from this investment. Through developing an employer-supported crèche in Bengaluru, Goldman Sachs has shared the firm's learnings and suggested best practices for employers as they strive to meet the MB (Amendment) Act mandate for a crèche. (See box 3.1.)

### **Box 3.1 Goldman Sachs' Best Practices for Designing and Running a Crèche Facility**

Companies would need to make many decisions ranging from quality of care and security of the facility to provision of backup or emergency care while designing policies. Cost versus return on investment (especially in case of an onsite center) should be considered. Here are a few key considerations that companies may find useful:

- A childcare strategy works best when it is a part of a holistic program benefiting the work-life balance of both mothers and fathers.
- Companies may want to explore onsite childcare options as well as partnering with existing centers in proximity to the workplace and compare the pros and cons of both arrangements before finalizing on one.
- Companies may want to internally assess the organization's target or goal and ensure that the childcare center is aligned. Understanding what the employees want will assure successful implementation of the organizational childcare framework.
- Organizations may want to consider factors such as risk, security, accessibility, and working hours that they would like to focus on and determine those thresholds.
- A holistic curriculum is needed to enhance children's developmental goals. Training and qualifications of professionals are key to ensure quality of care.
- An onsite center may give companies flexibility to customize offerings, such as extension of hours and provision of emergency care.

## CHAPTER 4

# EMPLOYER-SUPPORTED CHILDCARE SOLUTIONS

Successful organizations need to have full engagement of the workforce. The IFC/Bright Horizons e-pulse survey queried organizations on the work-life benefits they are currently offering, providing insights into how employers are supporting their employees' work-life needs today. Bright Horizons/NHRD (2016) published results of a 2013 study to better understand the barriers professionals face in engaging in the workplace and managing career aspirations in India's business climate. The report also explores strategies for organizations to consider that can allow work-life integration to be more successful for parents, particularly those who have or plan to have family care responsibilities such as childcare or caring for an older family member.

The Bright Horizons/NHRD (2016) report on human resource professionals finds that career aspirations are similar between men and women. However, women were more likely to say they do not feel they can advance in their career. There are a number of effective programmatic strategies to help reduce the challenge for employees in general—and women in particular—to manage their careers and their responsibilities outside of work successfully.

As employees progress through the life stages and reach key milestones—including finishing one's education, marriage, becoming a parent, home ownership, or caring for relatives—they can face disruptions in the workplace. Today's organizations will benefit from anticipating these somewhat universal milestones and considering strategies to impact how well employees progress and continue to meet the needs of the organization. Bright Horizons/NHRD (2016) highlights these key benefits to employees by parental status and gender:

- Flexibility around the hours worked is typically a top three priority for all employees, with or without young children. And while flexibility can be positioned as important to women, the data indicate that men and women find that

having flexible work hours is critical. There is a higher focus by women than men on the need for childcare supports.

- When comparing Bright Horizons/NHRD study respondents with and without children, flexible work is in the top two desired supports. Respondents *without* young children state having a workplace childcare crèche for children and emergency backup care for children in their top six desired supports. This may indicate that they anticipate needing these supports in the future, or they realize the value of these supports in assisting their co-workers, which ultimately makes their work-life balance better as well.

### FLEXWORK

Almost three-quarters of IFC/Bright Horizons e-pulse survey organizations (73 percent) currently offer flexible work hours, and most offer some form of telecommuting (60 percent) and home connectivity (56 percent). This relatively high percentage suggests that the work-from-home option outlined in the MB (Amendment) Act may be easy to meet for many employers. At the Mumbai roundtable session, an employer suggested the idea of allowing women to stagger the 26 weeks of maternity leave should they so choose. This level of flexibility can be valuable for those women who may want to transition back to work, slowly reconnecting to their careers while also having time with their new child.

### MANAGER TRAINING

The “employee and manager training on how to balance work-life issues” benefit was “in development” for approximately one-quarter of responding companies (27 percent), with close to half (44 percent) already offering it. Employers that prioritize training on work-life balance, particularly for managers, can further leverage this benefit to help the organization integrate the new provisions of the MB (Amendment) Act and enlist managers who need to be involved in employee access of the Act's benefits.



## FAMILY CARE BENEFITS

Responding employers offered benefits that addressed the needs of working parents:

- Seven out of 10 organizations currently offer paid paternity leave
- Fifty-five percent offer maternity return-to-work supports
- More than one-third (37 percent) offer adoption assistance
- Almost one-third (29 percent) provide dedicated time off to care for sick children

Return-to-work programs are deliberate supports and strategies designed to address the period before, during, and after a woman is on maternity leave. Supports can include preleave seminars, buddy programs that match new moms with “veteran” moms who have returned to work, lactation support, access to online resources while on leave, and orientation to reenter the workplace. Workplace crèche programs can be leveraged with a return-to-work benefit. Together, these programs can make it possible for mothers to return to work more successfully and feel less alienated after 26 weeks of leave. Manager training also aids the integration of the working experience for new parents. Understanding company benefits and practices, considering adapting work requirements, and communicating a culture of workplace respect for new parents can make a big difference in how employees experience this important life stage.

Responses to the e-pulse survey indicate that most organizations are not providing emergency backup care solutions for their employees and will probably not in the future. While the benefits of backup care are well-documented in other countries, such childcare solutions have not yet emerged as a priority in India.

“We have been able to hire a lot of women from disadvantaged backgrounds, reskill them, and provide a dignified model of employment. This has brought a lot of inclusiveness in terms of hiring and greater empathy and a better understanding of all backgrounds.”

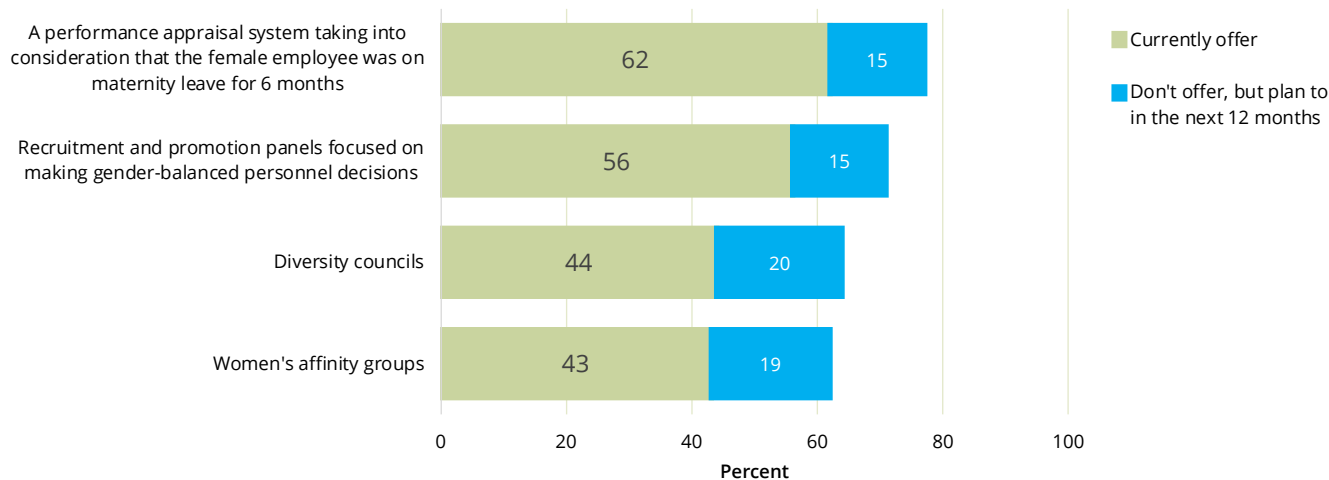
—e-Pulse Survey Respondent

## DIVERSITY AND INCLUSION

Some employers sent their diversity and inclusion managers to participate in the IFC/Bright Horizons facilitated roundtable sessions. Leveraging the MB (Amendment) Act and existing workplace efforts to support diversity and inclusion efforts within the organization were widely discussed. Removing barriers for inclusion could include the provision of childcare and programs that can engage women after career disruptions associated with maternity leaves. According to Catalyst (2011), a global nonprofit that works with CEOs and conducts research on diversity and women’s advancement, *“understanding this connection between business goals and diversity goals is the first step leadership takes when choosing to advance women or other underrepresented groups into leadership positions.”*

The e-pulse survey asked employers about their organizations’ current and future diversity and inclusion efforts. See figure 4.1.

**Figure 4.1 Survey Responses: “Please Identify which Policies, Programs, or Supports Your Organization Currently Offers, or Plans to Offer, in the Next 12 Months”**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question varied from 214 to 220.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Indian law requires companies meeting specified financial thresholds to contribute 2 percent of average net profits toward corporate social responsibility (CSR) activities. Seventy-nine percent of e-pulse survey respondent organizations have a CSR program. Community-based childcare solutions in rural India are still at a nascent stage. Because providing childcare support could help parents, especially mothers, enter and—more importantly—stay in the labor force, community-based childcare models could be a viable CSR initiative. A few models at the *anganwadi* (block level) and *balwadi* (community level), run by local nongovernmental organizations (NGOs) and funded by large corporate CSR programs, could be further expanded. The increased awareness of the benefits of providing childcare and demand for crèche provisions and impact to the childcare industry may be an opportunity for companies to support childcare provision in ways that promote quality and availability of care in the affordable segment. The e-pulse survey asked, “Would affordable childcare fit as an initiative in your company’s CSR efforts?” Over one-quarter of the respondents said yes, and 36 percent said they didn’t know. While 37 percent did not feel childcare would fit as a CSR initiative, the recommendations outlined in this report highlight the need to strengthen the childcare delivery ecosystem across all segments of India to respond to the increased demand for employer-supported crèche facilities.

*“(Childcare) fits as part of our (CSR) HR efforts.”*

—e-Pulse Survey Respondent, Senior Director

CSR funds could be used to support and strengthen the childcare infrastructure at the community level in India, spreading impact beyond the large cities. Strengthening the national childcare system could have a positive influence on early education and development of children in India.

India has an ambitious CSR approach. In 2013, it enacted sect. 135 of the Indian Companies Act prescribing that companies spend “2 percent of average net profits ... during the three immediately preceding financial years” on CSR which is applicable to all companies meeting specified financial thresholds.

## CRÈCHE PROVISIONS AT THE WORKPLACE

### WORKING DEFINITIONS

The working definitions for the arrangements made by survey respondents that currently provide childcare support for employees are provided here. These models deliver childcare support to working parents.

An **onsite crèche** at the workplace is often highly valued by working parents, particularly if they are nursing mothers. Worksites with employee populations of more than 750 employees might consider an onsite crèche option (or near site) that meets the current and future demand for care.

A **tie-up** is a negotiated arrangement by an employer on behalf of its employees with a locally operated childcare crèche. The employer arranges access (buys space, negotiates priority access, pays tuition, and so on) to a childcare provider near the worksite. This contractual agreement can include negotiated elements to support the needs of employees, such as extended hours and reduced fees. This model can provide flexibility for employers to meet the changing demand for care, assuming that the crèche will have space. Worksites with less than 500 employees may benefit, particularly if a high-quality option exists close to the worksite.

*Twenty-six percent of e-pulse survey respondents said it was challenging to find a crèche that matches the hours of the workforce.*

A **workplace consortium** allows multiple employers to collaborate and share a crèche provision typically on or near the worksite. This model is often successful in a business park, campus, or office building with multiple employer tenants. While it can be time-intensive to arrange because of the facilitation between employers, the consortium model shares the financial investment to develop the crèche, ongoing expenses for the management and operations of the crèche, and access for employees to the spaces in the program. This model is worth considering in areas with limited availability of existing childcare provisions near the workplace, high real estate costs for first-floor space, and limited first-floor space. This shared services approach can ultimately be cost-effective.

*“If people now need to comply with the (crèche) mandate, we need to talk with neighboring companies to do something. It’s not really about differentiation. It is an opportunity for companies to collaborate.”*

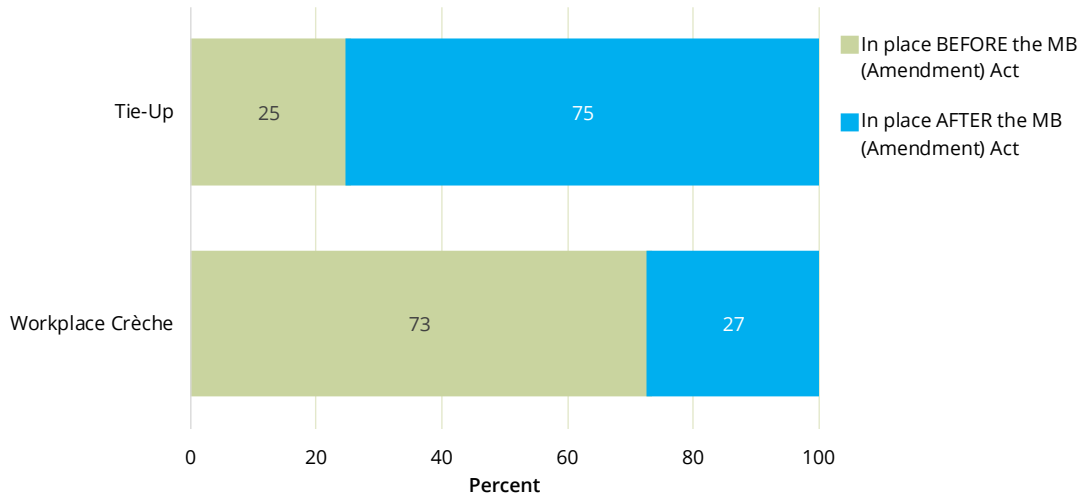
—Mumbai Roundtable Participant

Workplace supports, such as a crèche facility or other benefits that enable working parents to access childcare, can be part of the company culture. Employers have invested in a childcare solution in many ways, with a focus on meeting employee needs and supporting the business. The e-pulse survey gave insights into how employers have provided childcare. The approaches differ and are generally predicated on such influencers as employee demographics, population, local available resources, available space, and financial resources.

Employers can structure a workplace crèche investment for their workforce using different approaches. It can be a highly customizable benefit and include a variety of services. This employer investment is influenced by the type of relationship and level of accountability agreed upon with the provider or vendor operating the program. While some employers self-operate the crèche and internally manage its operations, outsourcing the management of a workplace crèche is more typical.

A workplace crèche that limits enrollment to serve only employees of the sponsoring organization can provide a customizable and controllable model. While the investment level of a childcare tie-up is likely to be substantially less, this approach offers the lowest level of control and accountability among options. Use of either a tie-up or a workplace crèche is an indicator of success. However, understanding which types of employees are using the program and which are not, but might benefit if they did, are also important metrics to track. For organizations that had a crèche before the MB (Amendment) Act, the most common model is an onsite crèche operated by their organization. Conversely, for those organizations that began offering a crèche since enactment of the Act, the preferred option is to offer access to a tie-up. See figure 4.2.

**Figure 4.2 Survey Responses: “Type of Crèche Provision by When Crèche Was Made Available”**

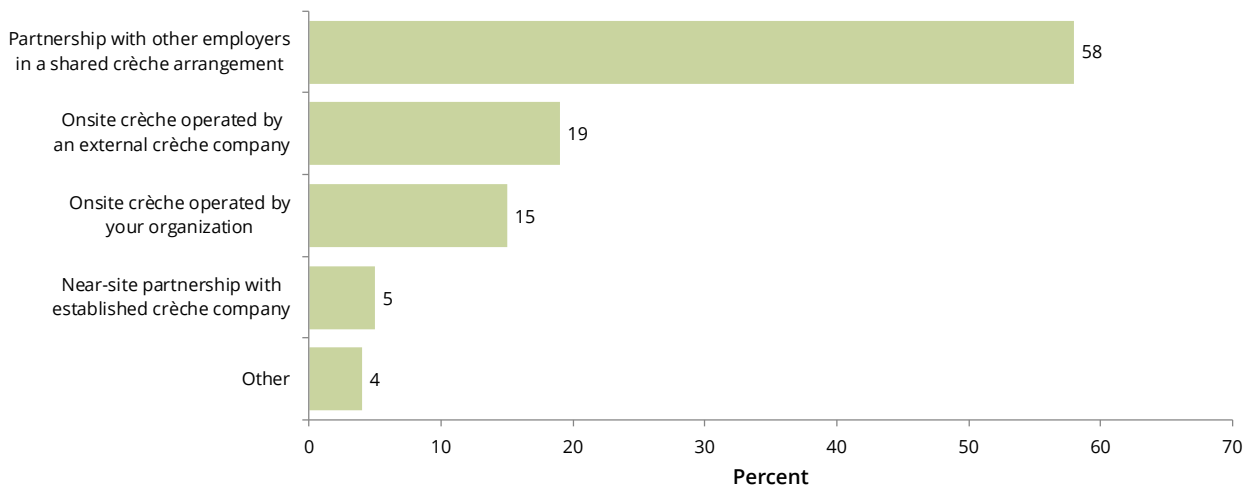


Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 63 for a tie-up and 37 for a workplace crèche. A tie-up is employee childcare arranged at an existing crèche in the community that is negotiated by the employer.

E-pulse survey respondents who reported having a worksite crèche were asked to select the model they use for employees at their worksite. Among all survey respondents with a crèche, a shared crèche arrangement with other employers is the most common model (58 percent). See figure 4.3. The e-pulse survey respondents with a crèche in place reported that the top drivers for establishing it were employee retention (54 percent), a diversity and inclusion initiative (51 percent), and addressing employee needs (48 percent).

**Figure 4.3 Survey Responses: “How Is Your Worksite Crèche Delivered?”**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 109.

## CHALLENGES IMPLEMENTING A CRÈCHE

Exploring how organizations can respond to the crèche component of the MB (Amendment) Act is going to be essential for employers with 50 or more employees (male or female). The survey queried respondents about any challenges they experienced with implementing the Act, focusing on a crèche in particular. According to the survey data, 46 percent of respondents viewed the crèche component of the Act as “moderately challenging/very challenging” to meet. Employers were asked to identify from a list of resources what would help their organization meet the crèche mandates. The top three resources selected were:

- Guidance on the characteristics of high-quality care (49 percent)
- Information on how compliance will be measured or monitored (46 percent)
- Guidelines on setting up a crèche (43 percent)

At the Bengaluru roundtable, a leading information technology (IT) company shared that all its employees at its five sites want the provision of an onsite crèche, but its C-Suite is concerned with the liability issue and the possible reputational issue if something goes wrong. This is a common internal debate across many companies. Guidance through examples or help designing their crèche offering was viewed as being valuable. Other implementation challenges were also an employer focus of the roundtable discussions.

### QUALITY

Participants in the roundtable discussions asked questions about how the crèche component of the mandate would be evaluated. Employers requested support identifying quality, childcare vendor selection, and implications on liability. Over one-third of employers responding to the e-pulse survey identified “finding an existing crèche that meets quality standards” (38 percent) and “the employees’ perception of quality” (35 percent) as challenges while exploring or planning workplace crèche provisions. Understanding how to assess quality, how childcare support is delivered, and how to assess disparities in different locations were mentioned as particularly challenging for employers with multiple locations.

High-quality early education programs are designed and delivered in an age-appropriate way to meet the needs of young children in group settings. Key areas of focus:

- Health and safety
- Staff training and development
- Curriculum
- Child-adult ratio
- Classroom group size
- Indoor activity space

At Bengaluru roundtable, employers were looking for technical assistance on “what needs to be included in a childcare facility,” vendor selection information, and the importance of quality and employer brand when it comes to crèche benefits for employees.

## Crèche Challenge

**35%** report employee perceptions of crèche quality

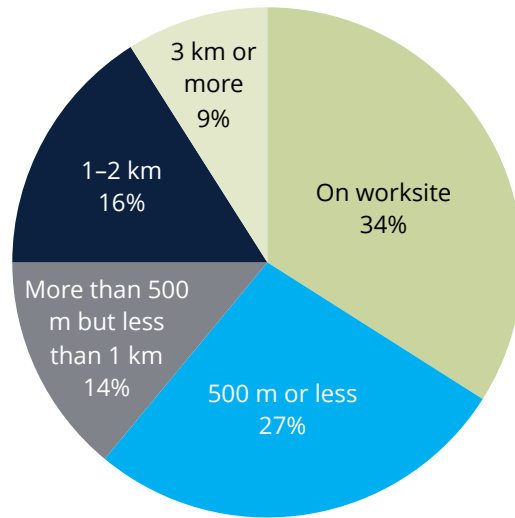
—e-Pulse Survey Respondents

### LOCATION

During the roundtable discussions, participants were looking for clarity about location expectations for the crèche provision. See table 4.1. Just over one-third of the e-pulse survey respondents that offered a crèche option (39 percent) noted that the program was located more than 500 meters from the worksite. See figure 4.4. As state governments outline guidelines for implementing the crèche mandate, awareness of how employers are currently offering crèche benefits can be useful. For example, childcare providers to contract with for a tie-up are not always located near worksites. While 64 percent of e-pulse survey respondents reported that privately run crèches currently exist near their worksite, just under one-third reported an existing crèche within 500 meters of their worksite. See figure 4.5.



**Figure 4.4 Survey Responses: “How Far is the Crèche from Your Worksite?”**



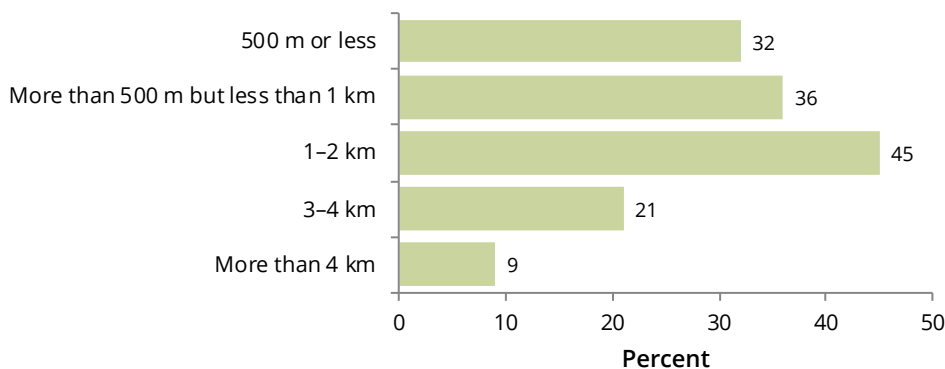
Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 106.

*“It is simply not feasible for SMEs having more than 50 employees [to implement a crèche] due to the insufficient number of crèches in every nook and corner of the country.”*

—e-Pulse Survey Respondent, C-Suite

**Figure 4.5 Survey Results: “How Far Away Are the Existing Crèches from Your Worksite? (Click All that Apply)”**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 47.

**Table 4.1 Roundtable Learnings: Challenges with Location and Space, 2018**

CITY	FINDINGS
Mumbai	<ul style="list-style-type: none"> <li>Given the general commuting practices in a city such as Mumbai, there was discussion that a crèche provision near homes would be preferable. Many employees take a local train to work or have an hour-long commute by car or bus and would not want to bring their child on such commutes.</li> <li>One childcare provider shared results of a local survey that revealed that most respondents want their children near them (near the office) until they were of an age where they could communicate.</li> <li>Another childcare provider noted that many families prefer childcare closer to work for very young children (up to two years old).</li> <li>Roundtable participants wondered how the MB (Amendment) Act would impact those employees “working from home.”</li> <li>It was suggested that builders may be able to differentiate themselves by providing space for crèches in their new construction projects. A recommendation was to mandate large builders to innovate space for crèches in new constructions, in the same way that bathrooms and refuge areas are mandatory. Space and cost of real estate is an issue for childcare provision, so this could potentially pave the way for future developments.</li> <li>Participants voiced interest in collaboration to develop crèche solutions. “Lots of organizations are moving to a campus location.” “If we now need to comply with the crèche mandate, we need to talk with neighboring companies to do something.”</li> <li>One suggestion was for a “real estate task force” to make recommendations to the government for real estate on how co-located employers can offer a crèche provision onsite or near site at a business park.</li> </ul>
Bengaluru	<ul style="list-style-type: none"> <li>A leading childcare provider has considered many areas near prospective corporate clients and noted that some neighborhoods are not safe. The representative asked whether the guidelines will most likely stipulate that the crèche must be near the employer, to allow for nursing visits per the Act, and if any exceptions could be made based on safety.</li> </ul>

**TRANSPORTATION**

A workplace crèche assumes that employees will travel to work with their child. Getting to work, long commutes, and the challenges of transportation need to be explored. One employer at the Delhi roundtable noted the lack of transportation to the worksite and challenges associated with traffic that have negatively impacted the use of a near-site crèche option for their employees. In addition, employers in areas with few available childcare options are likely to have difficulty meeting the mandate if they must rely on developing their own onsite solution. The cost of space in some key cities can make a workplace childcare program an expensive proposition.

*“How will a parent come with their six-month-old child in a public bus or a two-wheeler in all the traffic and pollution?”*

—e-Pulse Survey Respondent

## Crèche Challenge

**35%** report employees not wanting to commute to the worksite with their child

**34%** report complications regarding transportation for employees with children

—e-Pulse Survey Respondents

Liability questions around including very young children as part of employer-supported transportation were discussed. See table 4.2. In general, employers were not interested in including young children in their employer transportation system. This raises questions about how employees will get to work and whether they will want to bring their young children with them.

**Table 4.2 Roundtable Learnings: Challenges with Transportation, 2018**

CITY	FINDINGS
Mumbai	<ul style="list-style-type: none"><li>• Insights and questions about transportation with regard to risk and liability were discussed based on Mumbai traffic, trains, and general congestion, and traveling with a very young child.</li></ul>
Delhi	<ul style="list-style-type: none"><li>• A leading multinational company shared that transport to its office was an issue. It had provided a high-quality crèche onsite, but there was low usage and uptake due to the difficulty of bringing children to the site. The crèche is not on the school bus routes, so the employer is rethinking the crèche location and looking into the possibility of providing transport for children.</li><li>• One company raised concern about voluntary transport provisions (with children) at night.</li><li>• Lawyers acknowledged that transportation of children would be a complex issue to consider. If buses are currently used to transport employees, would they have enough seats to also accommodate children? Are there seatbelts or car seats? How would parents manage to keep children on their laps for the journey, as is often the norm in India, and so forth? Some suggested liability issues to transport children would have to be clearly communicated and managed with parents.</li><li>• Lawyers suggested that employers would need to be careful about the liability issue around transport and have parents sign acceptance forms.</li></ul>

## COMPLIANCE AND LIABILITY

The crèche provision under the MB (Amendment) Act has been in effect since July 1, 2017. Employers at the roundtables asked many questions of the labor and employment ministry representatives about guidelines and compliance with the Act. The interest in employers getting clarity on what was expected of them was a central theme in many of the roundtable discussions. See table 4.3.

**Table 4.3 Roundtable Learnings: Challenges with Compliance and Liability, 2018**

CITY	FINDINGS
Mumbai	<ul style="list-style-type: none"> <li>• There were suggestions that the rules governing the implementation of the MB (Amendment) Act should be informed by “best practices” from the industry. UNICEF has supported the development of detailed guidelines that can help inform the process.<sup>a</sup></li> <li>• There was a discussion on compliance and noncompliance of the Act, with participants wanting additional clarity on what to expect (including penalties).</li> <li>• This group of mostly Mumbai-based employers felt it was important to understand what was required and how it would be implemented.</li> <li>• Participants explored how flexibility could be supported by the Act. There was interest in the option of staggering the 26-week maternity leave as opposed to all at once.</li> </ul>
Delhi	<ul style="list-style-type: none"> <li>• Ministry representatives shared that the central government had written to state governments with a model law, but acknowledged that progress had been slow. Following the roundtables, the Minister of Labour &amp; Employment issued a follow-up advisory to all states, requesting the states to expedite the action to finalize the crèche rules by the state governments because the crèche provision in the Act has been in effect since July 1, 2017. Most state governments have not yet framed and notified rules for the crèche facilities.</li> <li>• Discussions acknowledged that “there is a lack of adequacy norms” that would help outline what should be required. Both risks and liability were raised as areas of concern.</li> <li>• A leading childcare provider shared that many companies ask if their premises are safe. Employers need to comply with the mandate, but beyond the liability issue, employers are concerned about safety and standards and do not have knowledge of norms.</li> <li>• A large multinational corporation with office locations across India raised the difficulty of following different guidelines in different states, and still being able to provide equal, universal, and fair maternity benefits to its employees. The representative was concerned, for example, that one state may have a provision that stipulates the crèche must be near the office, whereas another state may allow it near a home, and how would employees react? Would they see it as unfair? Participants expressed that it would be difficult for employers to roll out and manage different policies under their centralized human resource group.</li> <li>• Participants suggested that the government consider grace periods, given that the childcare quality provision matters.</li> <li>• Participants highlighted the importance of nursing breaks for breastfeeding mothers with potential positive impacts on productivity.</li> </ul>
Bengaluru	<ul style="list-style-type: none"> <li>• “How do we respond if we have worksites in more than one place?” Interest in a “hybrid model that allows care in other locations,” employer liability, and crèche quality were key areas of focus.</li> <li>• The State Labour Commissioner shared how enforcement in his state is likely to be rolled out. He outlined that the penalties for noncompliance could be a fine (in the range of INR 50,000–2 lakhs), court-ordered community service, and the possibility of imprisonment up to six months.</li> </ul>

## FINANCIAL CONSIDERATIONS FOR A CRÈCHE

Any new investment that supports employees and their ability to successfully integrate work demands and family care concerns is an investment in society. According to the World Bank (2017), an assessment of legal and regulatory economies that shape private childcare services in 50 economies shows how countries fund childcare provisions: 60 percent of economies provide childcare benefits to parents; 54 percent, to private childcare providers; and 34 percent, to employers (World Bank 2017).

According to World Bank Group Women Business and Law (WBL) research, economies with policies to help make childcare more affordable can enable parents to work<sup>6</sup>. Financial support can come through personal income tax deductions for childcare fees (done in 33 of the 189 economies covered) or through directly providing childcare services or subsidizing private childcare services (done in more than two-thirds of the economies covered). Higher enrollment of children in preprimary education can be found in economies that provide deductions for childcare fees when compared to economies that do not.

Understanding the financial responsibility of the crèche component of the MB (Amendment) Act was a topic discussed at the roundtables by childcare providers and employers. See table 4.4. The childcare industry in India continues to evolve and with it comes a better understanding of the financials. Generally, private childcare programs around the world typically have relied on one funding source: parent fees (also referred to as user fees or tuitions). Employer-supported provisions offer an important financial input into the industry and can help shape its evolution. Considering the financial process and how it relates to quality, safety, and employer impact is one of several areas of interest and concern by employers.

Forty percent of the e-pulse survey respondents that offer crèche provisions to their employees reported paying 100 percent of the user fees. Paying some or all of the user fees for employees can help working parents significantly with the ability to access childcare while also ensuring that the childcare provider is receiving the necessary user fees to operate a quality program. See box 4.1.

### Box 4.1 Crèche Funding and User Fees

When employers invest in supporting workplace crèche provisions, determining how much of the user fee to charge employees to use the program can be a part of the strategy.

The following are three models employers can consider:

- **Scholarships.** Setting aside a certain amount of money that will be accessed to cover all or part of the tuition for a certain number of “income eligible” employees.
- **Sliding scale.** Charging tuitions differently to employees based on their employment status, household income, job function, or other characteristic. This means some employees pay more, while others pay a lower rate.
- **Multichild discount.** Charging the second (or third) child a lower tuition to help families afford care.

The cost of care is an ongoing employer responsibility.

Cost-effective strategies should strengthen the ability of the program to deliver quality care, minimize parent contributions related to their ability to pay, and create cost-effective use.

Crèche provisions have ongoing operating expenses. Understanding these expenses and their relationship to quality, safety, and business outcomes can be vital to employer leadership commitment. High-quality care is influenced by such including access to trained and experienced caregivers, age-appropriate space and equipment, and a lower child-to-adult ratio. Helping employers identify and arrange for quality provisions can be important to the children and families being served as well as to the employer and the employer’s positioning in the business marketplace.

Around the world, most crèche provisions in the private sector offset their operating expenses by charging parents a user fee or tuition. This is often the only source of revenue for the program. If this tuition is in any way compromised, such as employer-negotiated discounts for employees, there is often an impact on the quality of the program. Less revenue reduces the amount a crèche can



pay teachers in salaries or the number of teachers the crèche can employ. The number of children per adult and the substance of the adult-to-child interactions are key components of a high-quality childcare program.

Liability and risk management are critical to managing the fiscal process for childcare. Without adequate funding, programs can operate in a less-than-optimal way that may influence safety, education, and overall child outcomes. Operating a high-quality program can be a useful way to mitigate liability exposure. In addition, many employers desire high-quality programs because a workplace crèche facility can be viewed as an extension of the employer brand: a visible expression of the commitment to employees and their families.

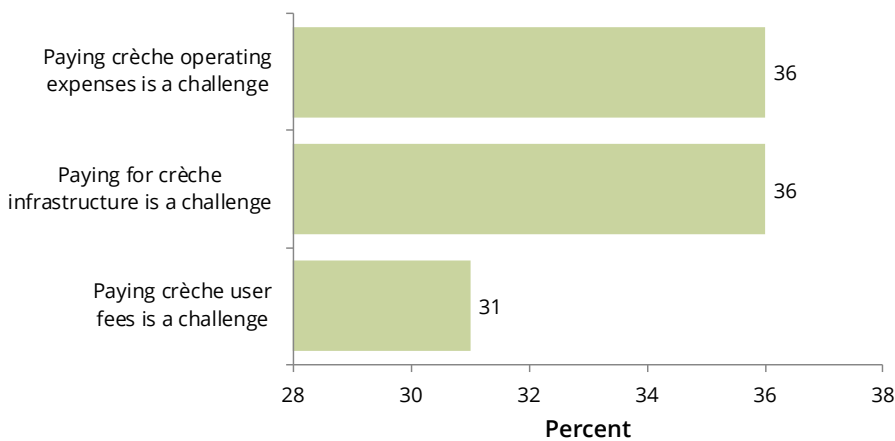
*“...there is need for children to be provided with developmentally appropriate early learning opportunities at preschool and early primary stage in continuum, which in turn, helps to promote their school readiness and ensure a smooth and seamless transition into formal learning.”*

—National Council of Education Research and Training 2018

Onsite or near site crèche development (brick-and-mortar solutions) require a substantial investment in infrastructure, and it can be challenging to find space. However, it can be worth the investment as respondents to the IFC/Bright Horizons e-pulse survey indicated higher levels of use in an onsite solution as compared to offering a tie-up care option to employees.

Respondents to the e-pulse survey noted the following financial challenges related to the crèche provision (see figure 4.7). In addition, 30 percent of respondents expressed interest in resources providing guidance on how to finance a crèche, and 32 percent are interested in government subsidies to use toward crèche costs.

**Figure 4.7 Survey Responses: Financial Challenges for Employers**



Source: IFC/Bright Horizons data.

Note: An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 134.

**Table 4.4 Roundtable Learnings: Financial Considerations, 2018**

CITY	FINDINGS
Mumbai	<ul style="list-style-type: none"> <li>• Many participants asked questions about the financial implications of the crèche mandate and sought clarity on whether employees can have a co-pay model for care provision.</li> <li>• A leading bank representative suggested a shared model with other companies is preferable to an onsite crèche accessible only to one employer in terms of promoting high-quality childcare and managing costs.</li> <li>• Transportation is an issue that companies would have to pay for, on top of crèche provision.</li> </ul>
Delhi	<ul style="list-style-type: none"> <li>• Discussions took place about crèche use and challenges with transportation, financial requirements, and user fees.</li> <li>• There were many questions around what the employer had to pay for in terms of the crèche provision. The government representative stated that employers had to cover the cost of the crèche facility—the brick-and-mortar part of the crèche—but went on to clarify that additional tuition can be paid for by the users or employees.</li> <li>• The government representative stated that at present, the maternity benefit use is an employer liability, but for those employers concerned about covering costs, he outlined the proposed Maternity Benefit Fund in the new Labour Code on Social Security, which is intended to shift financial liability of maternity benefits away from the employer.</li> <li>• The government representative shared that under the draft code proposed in the Social Security Act, the MB (Amendment) Act would be universalized and be applicable to self-employed women. The government would cover the cost for the informal sector, including marginal farmers and landless laborers.</li> </ul>
Bengaluru	<ul style="list-style-type: none"> <li>• Participants discussed models for user fees. One example was an employee co-pay model for employees who can afford to pay for access to the crèche.</li> <li>• There were many questions about financing, quality monitoring, and liability. Participants expressed an interest in supporting the workforce, but were mindful of the liability and financial implications.</li> </ul>

# CHAPTER 5

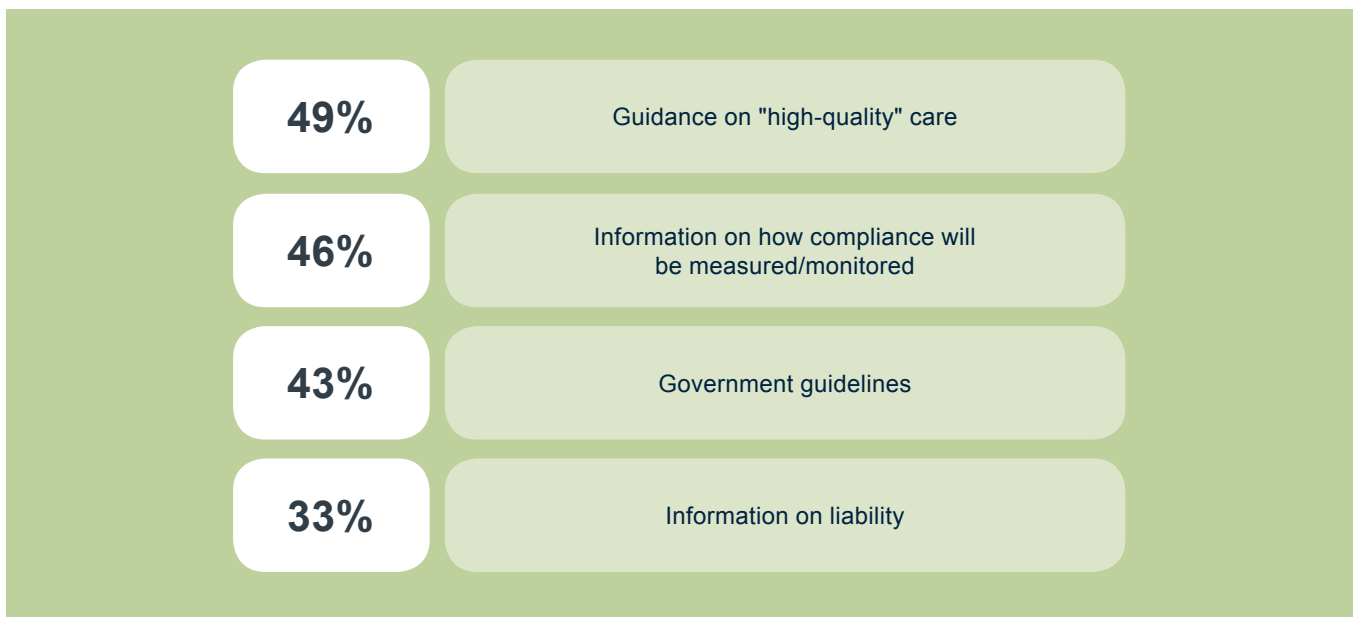
## RECOMMENDATIONS

Insights from this research point to several ways employers can implement key elements of the MB (Amendment) Act, in particular the workplace crèche mandate. Here are recommendations and areas that employers, government, state and local decisions makers, and investors might explore in order for the legislation to maximize outcomes for both employers and employees and, in turn, Indian society.

### RECOMMENDATIONS FOR EMPLOYERS

The e-pulse survey asked employers what resources would be most helpful in order for them to meet the MB (Amendment) Act crèche provision. The top responses are shown in the chart below and were also mentioned during the roundtable discussions. Potential solutions addressing these concerns might come from the state and local government through the implementation of the guidelines and are noted in the government recommendations section. See figure 5.1.

**Figure 5.1 Survey Responses: “Most Helpful Resource for Employers to Meet Crèche Provision”**

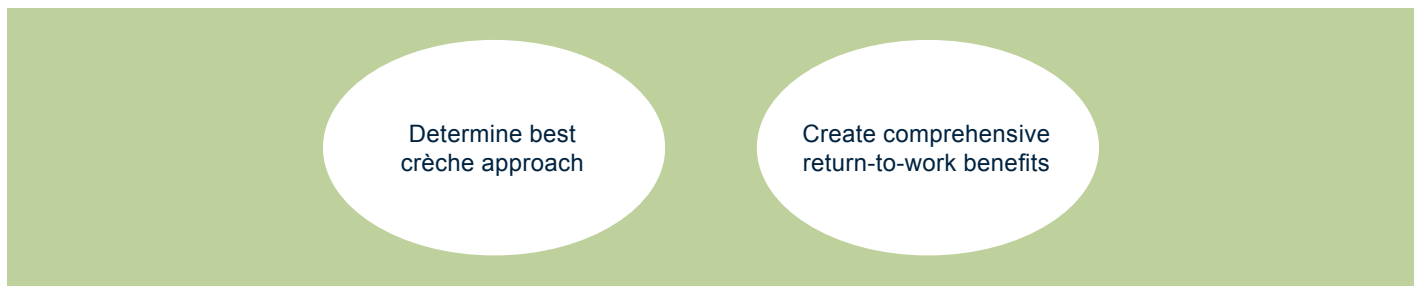


*Source:* IFC/Bright Horizons data.

*Note:* An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act. Number of responses to this question was 233.

To maximize the impact of the Act on employers and their employees, it is recommended that employers begin by determining the best approach to a crèche for their organization and focus on comprehensive return-to-work benefits that are integrated with the workplace culture. See figure 5.2.

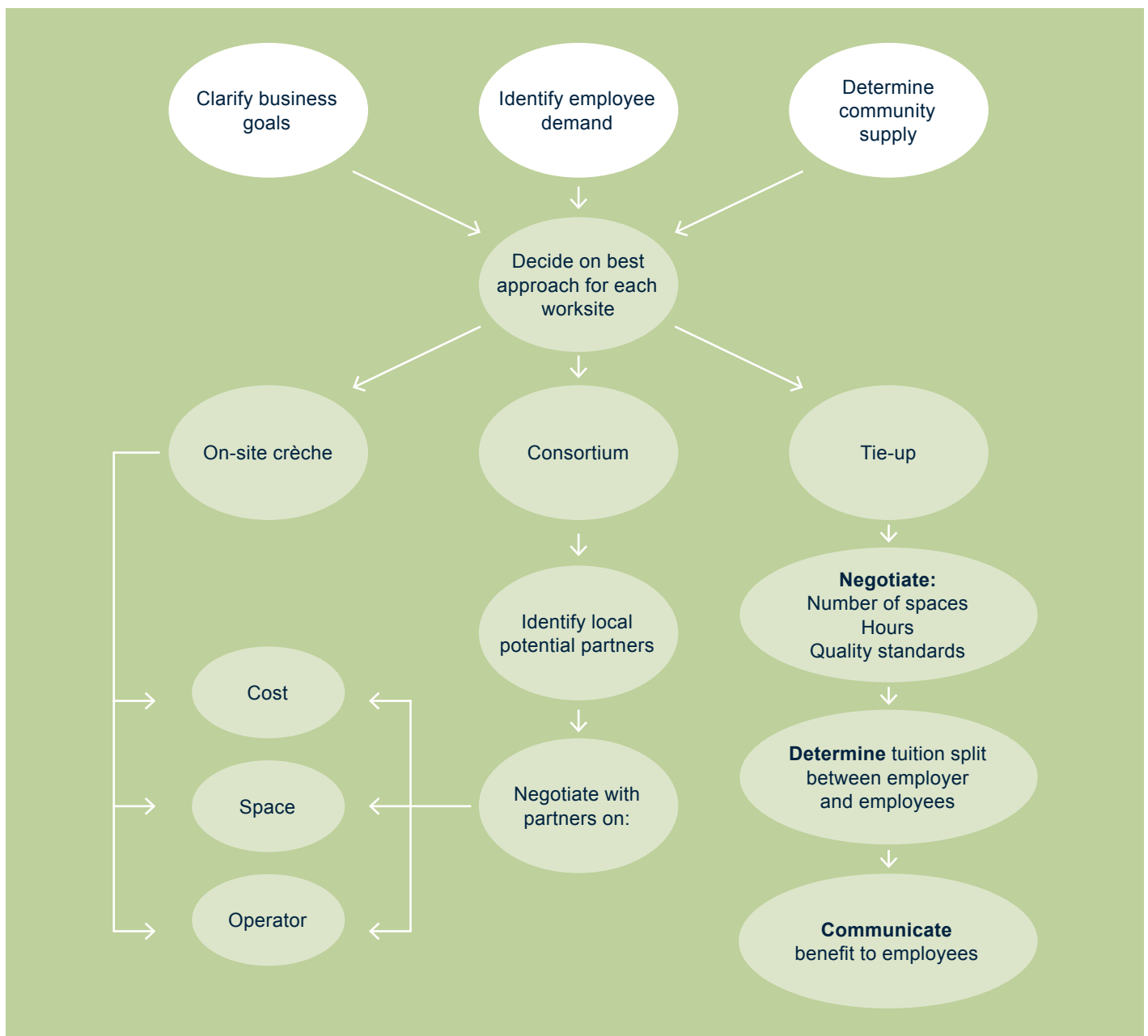
Figure 5.2 Employer Focus



**CONSIDER WORKSITE CRÈCHE APPROACH**

Figure 5.3 provides a recommended process for employers to determine the best approach for their organizations to address the crèche component of the mandate. Those employers with multiple locations will need to assess each location to decide on the best approach. Employers may use different options for different locations.

Figure 5.3 Crèche Component of the Maternity Benefit (Amendment) Act Mandate



Managing a crèche investment requires a level of understanding about the service, the needs of employees, and what exists in the community. Organizations with multiple worksites have to consider each location separately. The crèche can be an important part of an organization's talent management strategy. Employer decisions about what option to develop and how to proceed should be informed by an analysis of business priorities, employee needs, and community childcare supply.

**Clarify business goals.** To integrate a crèche into the fabric of an organization, the business needs of the organization need to be determined so a crèche response can be customized to address the organization's business objectives. The ideal way to identify these needs and priorities is to interview the decision makers within the organization. This can be done internally or by a consultant who has an understanding of talent management strategies and the intersection with potential benefits of a worksite crèche.

**Assess employee demand.** An assessment of the current and future needs for childcare can be done in-house or with a consultant. On the e-pulse survey, 29 percent of respondents reported that best practices for assessing employee demand was a desired resource. The goal is to project demand for and use of a crèche solution, keeping in mind the MB (Amendment) Act mandate for a crèche is worksite-specific. The process can include analysis of both quantitative and qualitative data, including an analysis of workforce demographics, residential locations, commute distances and patterns, survey data regarding current and future childcare needs and preferences, and employee focus groups to understand the nuances of employees' work-life needs. For example, in the roundtables, participants recognized challenges associated with shift work and some professions requiring 24/7 work schedules. The objective is to gather data that will provide learnings about:

- Employee demographics
- Number and ages of current children
- Type of care currently used and costs
- Hours of care needed
- Transportation realities (local infrastructure)

- Affordability
- Interest in specific care options
- Future demand for childcare services
- Profile of the potential crèche users

**Determine community supply.** A childcare market analysis will help employers understand what is available in formal childcare settings to employees in the community. It is important to gather concrete and more subjective information. Concrete information can be gathered through phone calls or internet research regarding the location of the existing programs, hours of operation, ages served, adult-to-child ratios, group sizes, and tuition rates. The more subjective information will most likely require visits to the local programs to understand the curriculum and adult-to-child interactions that are occurring, the policies around parent involvement and health and safety standards, and the program's approach to working with employers.

**Decide on the best approach.** After gathering data, employers need to decide on the best approach to address their workforce's needs and preferences, business goals, and ability to maximize community resources. For example, an onsite crèche is most likely the preferred option for larger employers that have a strong business need to attract and retain parents and increase female representation in leadership positions. It also may be the only option for employers in areas without community crèches for tie-ups.

**Measure the impact.** After the decision is made about a crèche provision, the organization needs to have measurement practices to track the value of the crèche against its objectives. Establishing a baseline before a crèche is put into place is an effective way to assess the impact. For example, voluntary turnover rates before and after the crèche is available to employees can be compared along with other measurements such as the return-to-work rate from maternity leave, the promotion rates of women, volume of call outs or absenteeism, and other important factors.

If a crèche is in place and data are not available prior to the crèche's establishment, company data on current crèche users can be compared to nonusers, trying to control for demographic variables such as employees

with young children (or in a certain age range if parental status is unknown). Using self-reported data from the crèche users in terms of the impact of the crèche on them at work is another approach. Employees can rate the degree to which the crèche has impacted their productivity, commitment, job satisfaction, engagement, and desire to remain with their employer.

### CREATE COMPREHENSIVE RETURN-TO-WORK BENEFITS

“Return-to-work” supports can be linked to the MB (Amendment) Act efforts. Creating a holistic approach to supporting women during their maternity process to lessen stress, increase well-being, and support career continuity is recommended. It’s important to consider:

- Starting support before the employee goes out on maternity leave
- Supporting managers, including clarification on the company’s policies, benefits, and expectations
- Manager coaching that facilitates conversations before and during leave so employees can stay connected or not, depending on their preference
- Lactation rooms for women after they return to work
- Options for a phased return-to-work schedule (the MB (Amendment) Act includes considerations for working from home after maternity leave ends)
- Resource groups for working parents
- Maternity mentoring programs linking senior women who have successfully transitioned back to work after starting a family to working women who are embarking on this journey

*A return-to-work program is designed to support the process of career interruption due to the birth or adoption of a child and ensure a healthy transition back to work.*

## RECOMMENDATIONS FOR GOVERNMENT

Recommendations for the government fall into three categories. See figure 5.4.

**Figure 5.4 Recommendations for Government to Support Success of MB (Amendment) Act**



### CLARIFY MANDATE GUIDELINES AND COMPLIANCE FOR EMPLOYERS

- Require state governments to provide more details to employers regarding the MB (Amendment) Act guidelines and what is required for compliance. It is recommended that the state governments consider the learnings from this report when developing the guidelines and encourage ongoing feedback from employers regarding the rules governing the mandate, especially around the proximity of the crèche, financial responsibility, and quality.
- Encourage state government outreach to stakeholders and include their voices in the development and monitoring of the guidelines that will define how the Act will be implemented.



- Consider implications from the perspective of small to medium-sized enterprises (SMEs), and identify measures that recognize the unique environments for employers in this category.

*In the Mumbai roundtable, there was interest in understanding the crèche business case for SMEs.*

## **PROMOTE SPACE FOR CRÈCHES TO INCREASE SUPPLY**

- Amend requirements for new office building development to include space set aside for crèche facilities. This would build the supply for crèche provisions and offer employers in the building access to a workplace crèche solution.
- Provide real estate tax relief for employers or real estate developers on space investments for the provisions of crèche facilities.
- Include childcare providers in the discussions on space, safety, and access when developing state-level guidelines.

## **PROVIDE RESOURCES AND SUPPORT FOR CRÈCHE DEVELOPMENT**

- Help employers comply with the Mandate and foster the increase in high-quality care for India's children through a variety of efforts. It will be important to consider these efforts as multiyear activities with ongoing support to ensure success.
  - Establish a technical assistance fund for small and medium-sized enterprises (SMEs) to have access to crèche planning and developing expertise. Fees could be charged for large employers.
  - Establish an annual employer-supported crèche technical assistance conference, to be held for the next five years, to build capabilities for employers to invest in high-quality programming. Funding would be used to bring in experts in crèche building design, human resource (HR) project management for crèche development and management, high-quality programming, and liability and risk management, and to showcase successful strategies and solutions. The target audience would be employers, government, investors, and childcare providers.

- Invest in educational training systems to establish and build the supply of trained providers, teachers, and crèche nursery workers who educate and care for young children.
- Within the educational training system, fund the establishment of a “train the trainers” process to promote access to provider training into rural areas. Include funding for travel and technical assistance to strengthen access.
- Establish an online childcare registry system to match trained workers with crèche facilities. This might include capturing details such as experience, age preferences, service area availability, and references. The system might also be used to provide technical assistance for successful onboarding of childcare workers into programs.
- Establish baseline metrics that can be tracked to measure future impact (e.g., training, turnover, safety).
- Identify and negotiate state-level “preferred vendors” that specialize in, for example, age-appropriate materials, equipment, and furniture for crèche facilities. These savings can be passed along to the childcare providers and would serve to encourage quality materials and equipment in the programs.
- Evaluate the overall crèche investments being made against key social trends. This can include outcomes for young children and educational achievement, impact on women's retention and career mobility, economic impact on women returning to work, economic impact of women who are working in crèche programs, and child outcomes. Research on the system as it grows and dissemination of outcomes will be important to the ongoing commitment to children and families in India.
- Encourage public-private partnerships (PPPs) with the private sector (employers or childcare providers) to collaborate on expanding the provision of childcare. There are many successful examples of PPPs for childcare that can be replicated and be built upon for the India context. IFC's *Tackling Childcare* report (2017) includes examples from Turkey (with Borusan, a heavy manufacturing plant) and the Netherlands (with a hospital, Schön Klinik) that are

highlighted in box 5.1 and box 5.2, respectively. The government can promote childcare provision through PPP models to expand the stock of childcare spaces. Models to consider include providing or subsidizing the real estate costs of childcare facilities for a private sector company or industry body or providing the infrastructure in special economic zones (SEZs) or industry parks, which may have a large concentration of private sector companies. The government's involvement in PPPs could have many benefits toward accelerating the provision of childcare due to potentially reducing regulatory obstacles for private sector companies setting up childcare solutions and cost sharing the establishment and running of childcare centers. PPP models could provide community-based solutions for workers who have difficult commutes by providing space in communities, and having the employers and parents cover the usage costs.

### **Box 5.1 PPP to Support Provision of Crèches in Industrial Zones, Turkey**

Borusan, a heavy manufacturing company in Turkey, is funding the establishment of 10 crèches in organized industrial zones (OIZs) in areas with particularly high levels of female unemployment (IFC 2017). The project is delivered through a PPP with the Turkish government, the Ministry of Families and Social Policy (MoFSP), and the Ministry of Science, Industry, and Technology (MoSIT). The government selects the crèches' locations according to the actual and potential levels of women's employment. The Borusan Kocabıyık Foundation (the company's charitable foundation) finances the construction of the crèches, with additional funds provided by the Borusan Group for toys and equipment. The childcare centers are open to children up to six years old whose mothers work in the OIZs. The OIZ management operates the facilities, including hiring teachers and obtaining operating licenses for the crèches from the MoFSP.

### **Box 5.2 PPP for an Onsite Childcare Center in Germany**

The Schön Klinik hospital in Germany partnered with the local city government to build an onsite crèche for children on the hospital grounds (IFC 2017). The company provided the land and paid most of the construction costs, and the city leased the property for 25 years and is responsible for all operations, including employing the childcare teachers. According to the crèche director, partnering with the local government significantly reduced the regulatory obstacles that Schön Klinik otherwise would have faced, reducing the planning and construction time to just nine months. Schön Klinik employees are guaranteed 10 of the 20 infant and toddler places. Users pay fees directly to the center, and the city and Schön Klinik share any costs not covered by fees or federal and local subsidies.

## **RECOMMENDATIONS FOR INVESTORS**

The childcare delivery system will need to increase its capacity to serve the growing number of organizations that will provide care to children and families at the workplace, both in terms of supply and standards. Investment in this sector is needed to support this growth and accelerate development. If done well, India stands to gain from a new generation of young children who have had early education experiences that can promote educational achievement and health outcomes in the future.

There are several private equity firms, investment companies, nonbank financial institutions (NBFIs) and funds focused on the education sector in India. The IFC is a limited partner in one fund, focused on education in India. That fund raised capital for equity investments from several large finance institutions, including the Swiss Investment Fund for Emerging Markets, UBS Fund of Funds, and so forth. Private sector investments have typically been in strategic education companies and a few childcare providers. Most of the investments have taken place in education, rather than childcare, but given the

MB (Amendment) Act, investors and fund managers may want to explore this market opportunity and potential further. There is still room for first mover advantage as a funder. The pipeline for investing in childcare providers is growing as more providers emerge in a market looking for quality and standards to meet the need mandated by the government. CRISIL research in 2017 estimates that India's preschool market will grow at a compound annual rate of 20 percent to reach INR 16,500 crore in 2017–18, up from INR 8,000 crore in 2013–14.

With the mandated growth for the childcare segment on the demand side, there is a growing opportunity for investors to tap into the supply side of the market and deepen the availability of growth capital for entrepreneurs focused on childcare provision. Guidance through teams with operations and investment experience is required to strengthen Indian institutions and their market leadership positions. Several international, highly regarded childcare providers are looking to enter the Indian market and are actively exploring investment partners. Joint ventures can lower the risk of investments in this sector by demonstrating the high financial appeal and impact, while sharing some of the quality control and liability risks. Investment will be needed for market entry, expansion of infrastructure, and rollout of locations for home-grown childcare providers, and capital will be needed for teacher and childcare provider training and introducing new approaches toward childcare provision in India. Recommendations include providing financial investment into this nascent, but growing segment of childcare providers and early education providers to be in line with the rapidly growing demand.


## RECOMMENDATIONS FOR DONORS

Donors can enhance the overall quality of care and education for India's youngest citizens and promote positive outcomes for their future and the future of India.

- Fund the ongoing effort for the establishment of a standard that exceeds the mandate and promotes high-quality education for children and families in settings across India. This multiyear process can include consensus building among childcare advocates, government, parents, and employers that allow for inclusion of thoughts, ideas, research, and recognition of local culture. The initiative would

promote visibility of these standards, why they are important, and the implications to society. It is suggested that collateral be developed to allow for dissemination to all stakeholders.

- Promote the establishment of a childcare sector skill council, or training and certification of childcare workers through a skill council, to build a quality workforce. This would promote the development of a trained workforce that could command a higher salary for childcare provision, with certification and proof of training. It could benefit many entering the workforce, particularly women.
- Increase the number of trained early childhood educators in quality approaches to serving young children and their families.
- Develop and promote local “best practices” sessions to engage existing providers in quality, allow for local customs opportunities, and promote safety and child outcomes.
- Extend the professional credentialing to create career paths, and encourage career aspirations for individuals who care for young children to continue their education.
- Promote an employer webinar series that shares expert information on such topics as liability, center management, early education and child outcomes, and benefit management.
- Fund the development and implementation of a “train the trainer” approach for disseminating best practices and providing access to training materials and educators in the field across the country. This would promote the creation of shared adequacy norms and improve the baseline provisions of care.
- Provide technical assistance and thought leadership to capture the potential intersection of corporate social responsibility (CSR) efforts and the growing focus on high-quality workplace childcare in the affordable segment.
- Promote initiatives to expand business case evidence, accelerate implementation of good practices, and improve the enabling environment to support access to high-quality childcare for all working parents, with a focus on working to eliminate gender gaps in the private sector and enabling companies and economies to improve their performance.

- 
- Share knowledge of and good practices on employer-supported childcare, and create global guidance on best-in-class practices for employer-supported childcare.
  - Create funding mechanisms within CSR that can be used to strengthen the early care and education system to support the social good.
  - Create community-level CSR investments that can target anganwadi and balwadi programs to enhance access, quality, and overall provisions of education and care.

## CHAPTER 6

# CONCLUSION

The Government of India has taken a very important step by introducing the MB (Amendment) Act. Employers are now mandated to support employees with important resources concerning childcare provisions, maternity leave, and options for working from home. While implementation remains a key focus, employers have the opportunity to potentially leverage the crèche mandate to support the talent management and benefit strategies to contribute positively toward recruitment and retention in their workplace.

Children and families in India stand to benefit from the Act if the provisions are successfully executed against such variables as quality provisions, evaluation and best practices dissemination, and if additional funding becomes available to the childcare system in general and small and medium-sized enterprise (SME) employers in particular. There are challenges to address, highlighted by responses from some employers (33 percent) that participated in the e-pulse survey, who said organizations may limit worksite size to fewer than 50 employees to be excluded from the crèche mandate, as well as roundtable discussions regarding the challenges of affording the mandates. The government's Maternity Benefit Fund is a critical step toward addressing concerns around the cost of providing childcare. Awareness campaigns, roundtable discussions, and dialogue are needed to showcase to employers that the impact of providing childcare through their benefits program can outweigh costs. Examples of organizations that have successfully implemented employer-supported childcare strategies are needed as models for others. Often, the cost of retaining talent through employee benefits that include childcare provision may be lower than the associated costs of hiring and retraining new talent. Employers stand to benefit from tapping into an underused talent pool, particularly of women, by implementing strategies that allow talented parents to join and stay in the workforce.

As state governments develop, disseminate, and ultimately monitor the guidelines for implementation of the MB (Amendment) Act, it may be useful for local employers and childcare providers to remain engaged and active in shaping this ongoing process. There is currently an opportunity to help India's young children of working parents participate in early care programming through high-quality crèche provisions. Supporting parents (particularly women) to participate in the workforce before and after the birth or adoption of a child can enable the country to maximize the contribution of its citizens. Working parents, including women who are currently underrepresented in India's workforce, are essential to the economy, and so is the education and care of young children. It is hoped that this report contributes knowledge and learning to this important agenda.

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# APPENDIX A: E-PULSE SURVEY RESPONDENT PROFILE

Table A.1 e-Pulse Survey Respondent Profile

PERCENT

TYPE OF ORGANIZATION N=255	
Multinational corporation with multiple worksites in India	48
Domestic organization with multiple worksites	26
Multinational corporation with a single worksite in India	19
Domestic organization with a single worksite	7
INDUSTRY N=255	
IT/ITeS	42
BFSI	18
Services	5
Education	4
Professional services	4
Consumer business	3
Engineering	3
Manufacturing	2
Media/telecom	2
Other	16
SIZE OF WORKFORCE IN INDIA N=255	
Fewer than 50	8
50–99	6
100–249	14
250–749	19
750–999	6
1,000–2,499	11
2,500–4,999	11
5,000–9,999	9
10,000 or more	17

WORKSITE CITY N=255	
Mumbai	28
Bengaluru	27
Pune	10
Delhi NCR	9
Gurgaon	7
Hyderabad	7
Chennai	2
Noida	2
Other	8
WORKSITE SIZE N=255	
Fewer than 50	10
50–99	9
100–249	19
250–749	18
750–999	7
1,000–2,499	15
2,500–4,999	9
5,000–9,999	8
10,000 or more	4
WORKSITE SHIFTS N=255	
Daytime shifts	92
Evening shifts	36
Weekday shifts	24
Rotating shifts	26
Overnight shifts	21
Weekend shifts	17
Extended hour shifts (more than 10 hours)	14

POSITION OF RESPONDENT N=187	
Individual contributor/frontline employee	9
Supervisor	4
Manager/director	29
Sr. manager/sr. director	24
Sr. vice president/vice president	17
Executive/C-Suite	17
Outside consultant	1
HR DECISION MAKER N=255	
Yes	84
No	16
GENDER N=191	
Male	39
Female	61
GENERATION N=203	
iGen (1996 or later)	0
Millennials (1980–95)	47
Gen X (1961–79)	52
Baby boomer (1946–60)	1

*Note:* BFSI = banking, financial services and insurance; HR = human resource; IT = information technology; IT/ITeS = information technology enable services.

## APPENDIX B: INITIATIVE PARTNERS

**Bright Horizons**, a leading global provider of early education and preschools, employer-supported childcare, backup care, educational advisory services, and other work-life solutions, provides consultation on international childcare systems and employer work-life supports.

**Goldman Sachs** is a leading investment banking, securities, and investment management firm that provides a wide range of financial services to a substantial and diversified client base.

**IFC**, a sister organization of the World Bank and member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. IFC works with more than 2,000 businesses worldwide, using its capital, expertise, and influence to create markets and opportunities in the toughest areas of the world.

**JSA** is a leading national law firm in India. Its mission is to provide outstanding legal solutions in the chosen practice areas with a strong emphasis on ethics.

**NASSCOM** is a nonprofit trade association of Indian information technology and business process outsourcing industries.







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