

# Tackling Employer-Supported Childcare Webinar

7 September 2016



**United Nations**  
Global Compact





# AGENDA

- Introduction- Tulsi Byrne, UN Global Compact
- Intro to Tackling Employer-Supported Childcare- Carmen Niethammer, IFC
- The Regulatory Landscape Affecting Employer-Supported Childcare- Gharam Dexter, World Bank Group
- Business Case for Employer-Supported Childcare- Rudaba Nasir, IFC
- Putting the Business Case into Practice
  - Adri van Niekerk, Afrifresh
  - Nidhi Pundhir, HCL Foundation
  - Chitra Shyam Sunder, HCL Technologies
- Final Words- Rudaba Nasir, IFC
- Q&A

# Logistics

## Technical Difficulties:

If you have technical issues, please let us know by typing a message in the Questions pane (A). You can raise your hand (B) if we do not respond.

## Q&A:

We will be taking questions on content at the end, but you can send them to us throughout the webinar by using the Questions pane (A). Please specify to whom the question should be directed.

*Example: Question for John Doe: What are the Guiding Principles?*



# Contribute To The World We Want

## Business and the SDGs



Contribute to alleviating the financial burden of childcare placed on parents



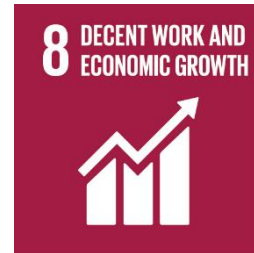
Support mental health and wellbeing by providing practical solutions that meet parents needs



Support pre- and primary education



Recognize the value of unpaid care work, especially childcare and provide solutions to address



Help achieve productive and full employment and decent work for men and women



Promote equal opportunity for women and men by addressing the inequality of care responsibilities

Beyond the business case for employers to support and invest in childcare solutions, business-led solutions contribute to broader sustainable development goals

# The UN Global Compact

## Act Responsibly + Find Opportunity



The UN Global Compact calls on companies from around the world to align strategies and operations with universal principles and broader UN Goals

Act responsibly

Ex: Ensuring equal opportunity for parents



Find Opportunity

Ex: Investing in and supporting childcare solutions



# TACKLING EMPLOYER-SUPPORTED CHILDCARE

GOOD FOR BUSINESS, GOOD FOR  
DEVELOPMENT



**IFC**

**International  
Finance Corporation**  
WORLD BANK GROUP

**Carmen Niethammer & Rudaba Nasir**  
**IFC Gender Secretariat**  
**Washington, D.C.**

**[www.ifc.org/gender](http://www.ifc.org/gender)**

**September 7, 2016**

# IFC: Providing Development Solutions...

## Customized To Meet Client Needs

IFC is

- A member of the World Bank Group
- Provides investment, advice, resource mobilization
- AAA credit rating; 60-years of experience in emerging markets
- Present in 100 countries

*IFC is the largest global development institution focused exclusively on the private sector in developing countries.*

# The Childcare Business & Development Case: Good for Children, Employees, Employers & Economies

## Good for Children:

- Benefits of early childhood development range from healthy development and greater capacity to learn while in school to increased productivity in adulthood (*World Bank, 2015*)
- **Crisis of Childcare:** At most, half of 3-5 year olds in developing countries participate in some form of early childhood education, typically for a few hours daily. In 2014, mere 17% of children in low income countries were enrolled in preprimary School (*Global Business Coalition for Education, 2016*)

## Good for (Women's) Employment

- Where the government provides or subsidizes primary childcare, women are more likely to receive a formal wage (*World Bank Group's Women, Business and the Law, 2016*)
- Investments in care economy would create twice as many jobs than investments in construction industry, plus decrease the gender gap in employment (*ITUC, 2016*)
- Value of unpaid care estimated at \$10 trillion or 13% of global GDP (*McKinsey, 2016*)

## Good for Economies:

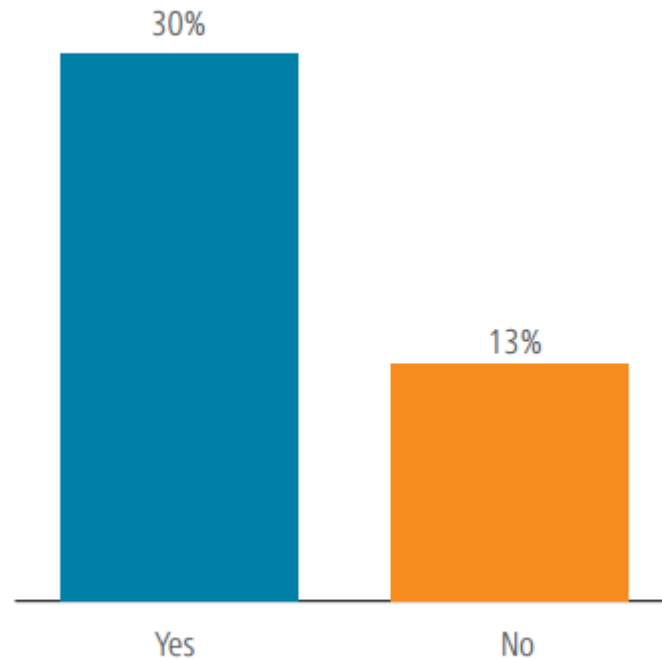
- Investing 2% of GDP in care economy of 7 developed countries would create more than 21 million jobs and help countries overcome challenges of aging populations and economic stagnation (*ITUC, 2016*)
- Investing in early childcare could generate 719,000 jobs in Turkey alone and expand the labor market skilled talent pool by encouraging women's labor force participation (*ILO et al, 2015*)



# Publically Supported Childcare Impacts Women's Formal Employment

**MORE WOMEN RECEIVE WAGES WHERE GOVERNMENTS PROVIDE OR SUPPORT CHILDCARE**

Received wages in the past year, female (% age 15+)



Is childcare subsidized or publicly provided?

# Women, Business and the Law

## Legal Analysis of Childcare Provided by Private Sector Employers

### WHAT ARE WE LOOKING AT?

- 50 economies across all regions and income groups.
- Expanding to 189 economies for the 2018 *Women, Business and the Law* report.

### HOW DO WE CLASSIFY CHILDCARE?

- Childcare definitions are based on the UNESCO International Standard Classification of Education (ISCED):
  - Childcare covers children 0-completing 2 years old.
  - Preschool or preprimary education starts at 3 years old.

### WHAT IS THE LEGAL FRAMEWORK?

- Legal obligation for employers in the private sector to support or provide childcare.
- Laws and regulations applicable to employer- supported childcare.

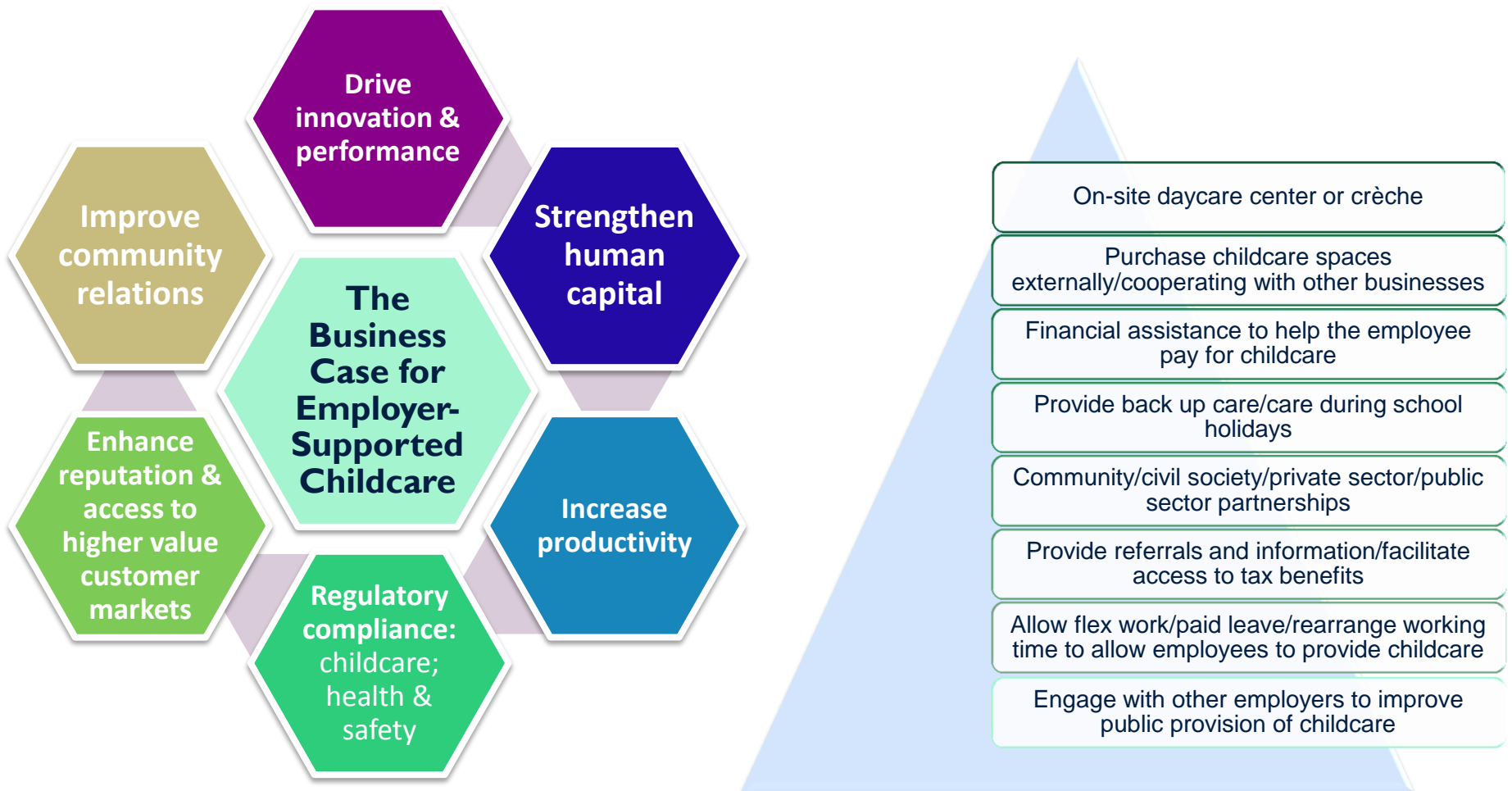
### WHAT ARE GOVERNMENT SUBSIDIES (e.g. child allowances) AND INCENTIVES (tax/non-tax)?

- Incentives for **employers** in the private sector to support or provide childcare.
- Incentives and subsidies for **private standalone childcare centers**.
- Support to **parents** with children under the age of primary education.

### A SPOTLIGHT ON THE QUALITY OF CHILDCARE.

- Including safety standards, teacher qualifications, teacher/student ratio, licensing and registration.

# Firm Level - “Why” and “How” Employers Support Childcare



Source: IFC Tackling Childcare Project, 2016

# Good Practice Examples

## **Infosys, software engineering multinational, India**

Infosys attributes its high retention and lower absenteeism rates in part to the on-site crèche it provides for children ages 2.5 months to 5 years. Employees appreciate childcare training and freedom from worrying about care (ILO, 2014).



## **KPMG, auditing, tax & advisory firm, The Netherlands**

An emergency back-up childcare program at KPMG had a 125% ROI within six months of implementation and a 521% ROI by the fourth year (Work & Family Connection, 2005).



## **JPMorgan Chase & Co., banking and financial services, USA**

JPMorgan Chase has around 13,000 employees enrolled in its backup childcare program. When asked what they would have done without backup care, 80% of parents responded that they would have taken unscheduled time off from work. 77% of parents also reported that they were better able to focus at work.

JPMORGAN CHASE & CO.

## **Caltex, fuel and oil products, Australia**

As a result of the BabyCare Package introduced in 2012, 93% of employees who took parental leave returned to work. The package includes:

- BabyCare Bonus: A 3% bonus each quarter - a total of 12% per year on base salary - awarded to the primary caregiver once they return to work, up until their child's second birthday;
- b) Emergency BabyCare;
- c) Identification of appropriate childcare through local partnerships;
- d) Nursing facilities; and
- e) A Parental Transition Group.



# Putting the Business Case into Action



## Company context

- Table grapes and citrus for export to over 50 countries
- \$16m turnover in 2015
- 10 production sites across different South African provinces
- Permanent workforce = 1220 (35% women)
- Seasonal workforce = 4144 (48.5% women)

## Supports workers with children through:

- Workplace crèches on farms
- Transport for school children to/from school
- Flexible work arrangement for professional workers

## The Business Case

- Being an “employer of choice”
- Crèches are prerequisite for successful recruitment on farms
- Increased productive and ability to work overtime (incl. during picking and packing season)
- Retention of the best workers from one season to the next
- Child safety - especially farm context
- Enhanced reputation w buyers in high-value markets

# Putting the Business Case into Action



## About the Company:

HCL Technologies is a leading global IT services company working with clients in areas that impact and redefine the core of their businesses. HCL focuses on 'transformational outsourcing', underlined by innovation and value creation, offering an integrated portfolio of services. The company has 100 plus nationalities and 24% women in the global workforce.

Revenue: US\$ 6.4 bn | Geographies: Operating in 32 countries across the Americas, Europe, Asia Pacific, Middle East and Africa | Employees:107,968

## Supporting employees with children through:

- Daycare centers within work premises
- Daycare allowances
- Flexible work arrangements through telecommuting and flexi work hour policy
- Work Life Continuity by supporting employee well-being through inclusive policies, support systems and employee assistance programs

## Business Case:

Improving the returnship of women after the maternity leave (ML) and ensuring seamless continuity of their career.

## What we did:

- We included day care centers in the infrastructure plan for all upcoming facilities and today we have 7 days care centers operational in our large campuses across Noida, Chennai and Bangalore HCL facilities in India.
- Women employee's proceeding on ML and the immediate family members are provided counsellor support to enable the employee to resume career after ML break.
- Stepping Stones program for women in middle management for self development

## Some impact metrics:

- In FY15, 99.87% of women employees returned to work after maternity to resume the careers—a marked increase from 84.78% in FY14
- Retention of women returning from ML has improved

# IFC's CGI Commitment to Action on Employer-Supported Childcare

## Who?



- Members:** Leading companies across sectors and countries that want to a) explore how best to integrate childcare as a gender-smart business solution and/or b) expand their existing childcare offering
- **Strategic Partners:** Care.com, ILO, IWPR, Kidogo, UN Global Compact, and UN Women will contribute their expertise to the commitment
  - **Commitment Lead:** IFC, a member of the World Bank Group

## How?



### Members commit to:

- Deliver a minimum of 3 voluntary commitments
- Participate in learning events and share knowledge and experiences
- Provide feedback on reports and tools
- Treat information obtained as confidential

\* In-kind staff contribution estimated at 2 weeks over two years.

## When?



- **Sept. 2016:** Launch of Commitment at CGI Annual Meeting
- **Oct. 2016:** First virtual meeting
- **Annually:** 4-5 learning events
- **Sept. 2017:** reporting on commitment progress to CGI
- **Sept. 2018:** CGI commitment closes

*\*For more information, please contact Carmen Niethammer*  
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Thank you  
for attending!

*Please send additional  
comments or questions to  
Tulsi Byrne  
([byrne@unglobalcompact.org](mailto:byrne@unglobalcompact.org))*