



Employer-Sponsored Childcare Program: A New Fringe Benefit

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ABSTRACT

Nowadays employers are in search of new fringe benefits, they can provide to their employees. In March 2017, Prime Minister Narendra Modi had assent some amendments in Maternity Benefit Act. He had not only revised paid maternity leaves from 12 weeks to 26 weeks but also made it mandate for companies having more than 50 employees should have their own childcare centers inside the campus or near-site. The employer-sponsored daycare facility is the new fringe benefit provided by organizations to their employees.

The purpose of my study is to study the issues parents are facing in childcare. The focus of my work is to find out the impact of employer-sponsored childcare facility on employees and employer. Also, I have studied few organizational cases in this paper.

My research work is based on secondary data. Very little research work is available on this topic. So I got very less literature to review. After reading few articles, research papers and reports, I came to the conclusion that every parent of small kids is facing issues in childcare. Many organizations which are providing this facility have experienced growth in productivity and employees who are availing this facility have improved their performance.

Keywords: Employer-Sponsored Childcare, On-site Daycare, Fringe Benefits.

1. INTRODUCTION

The employer-sponsored childcare is in term with the practice where parents are allowed to bring babies to their organizations. There are three types of employer-sponsored childcare centers: Onsite Childcare, Offsite childcare, and Consortium childcare center. Productivity specialists raised a question on this practice. They feel that it could lead to favoritism of employees. Few people are saying it could give birth to rivalry and misunderstanding at the workplace. The reason behind this is that employees who do not have their babies resent the perception of coddled working parents.

In this modern era, 30-40% employees in an organization are women. Near about 80% women get pregnant in their entire lifecycle of career. It becomes very much difficult for women to join back an organization after giving birth to a child. Employer-sponsored Childcare facility is usually availed by women employees and the reason behind it is clear.

It becomes very much difficult for single parents to leave their child at home or other childcare centers. They prefer to join organizations which provide employer-sponsored childcare facility.

This paper discusses the benefits of employer-sponsored childcare facility to employees and employer.

2. SIGNIFICANCE

One of the important goals of the organization is to attract, hire and retain the most competent employees. Employers are trying to provide benefits that will attract competent employees and produce a return on their investments. With the diverse demographics of the employees, employers are faced with the challenge of providing benefits that are attractive to their target demographics. From last few decades, there has been an increase in single-parent households, dual income households, and the number of women entering the workforce. Fifty years ago, just 34 percent of married couples with children younger than six were dual income households; today the figure is almost 60 percent (McIntyre, 2000). With the increase of women employees and double income households, there are many families in need of childcare. There has also been an increase in childcare expenses over the last years, and employees are in search of affordable childcare. Employers identified the need for affordable childcare, and have found creative ideas to provide a facility of childcare that is affordable, accessible and available to employees (Oekerman, 1997). One of the advantages that employers are giving in response to this need is on-site childcare. By providing employer-sponsored childcare such as onsite daycare,

employers are setting themselves apart from their competitors. An on-site childcare facility is one that is funded by the organization and the company usually pays for the start-up cost and portions of the ongoing cost (Oekerman 1997, Miller 1984)

It is estimated that organization loses nearly 3 billion dollars due to childcare-related absences (Harper, Densmore & Motwani, 2001). Those who support employer-sponsored childcare claim that it has increased the ability to attract employees, lowered absenteeism, improved employee attitudes, generated favorable publicity about the employer, and improved community relations (Miller, 1984). Miller (1984) also stated that critics of on-site childcare argue that there is not enough documentation of savings available for the cost associated with starting and operating an on-site childcare center. Nevertheless, with an increase in single-parent households, there is definitely a way to attract women and a diverse workforce. Yet, there are not many employers that have taken the initiative to include this as one of their benefits.

I am interested in learning about the advantages of employer-sponsored childcare. Some of the challenges organizations are facing are high turnover and absenteeism. I want to research if this will be an attractive benefit for the companies to offer. I am also interested in finding out the return on investment associated with employer-sponsored childcare, as well as other benefits that are not easily measured. I am interested in knowing the pros and cons of employer-sponsored childcare.

I hope to discover solid evidence that employer-sponsored childcare is effective in attracting and retaining qualified employees.

3. PURPOSE

In this paper, I will explore whether employer-sponsored childcare has any impact on a performance of employee and employer in order to make recommendations to organizations that do not provide employer-sponsored childcare benefits.

4. SCOPE

This paper will explore if employer-sponsored childcare has any effect on employees. I am going to be looking at organizations that have successfully implemented this program and how it has changed their bottom line. There are few people who believe that the absence of a childcare was not the leading cause of absenteeism, but the sickness of a child was more likely to lead to higher absenteeism (Miller, 1984). For the purpose of this research, I will focus on employer-sponsored childcare benefits from the employees' point of view, and how it is valued by employees. I am focusing on childcare where employers are directly involved in the process.

5. OBJECTIVES

- To study the issues parents are facing in childcare.
- To study the impact of employer-sponsored childcare facility on an employee.
- To study the impact of employer-sponsored childcare facility on an employer.

6. LITERATURE REVIEW

This section will review the literature on the impact of employer-sponsored childcare on employees. This section will begin with a brief overview of employer-sponsored childcare and then provide research on some of the problems identified by employees. Research on the effects of employer-sponsored childcare on retention, recruitment, absenteeism, and productivity is presented. Findings from studies on employers' commitment are covered in this session.

6.1 Issues Affecting Employees in Childcare

Contrary to popular belief, organization's on-site Childcare is an old phenomenon. Evidence has proved that employer-sponsored childcare extends at least as far back as the Civil War when on-site childcare was offered to the women who sewed for soldiers (Miller, 1984, McIntyre, 2000). When the country experienced a labor shortage in the 90s, organizations were compelled to provide benefits like on-site childcare to encourage nonworking women to join the workforce (Keyser & Hartley, 2002, Connelley, Degraff, and Willis, 2004). As a large number of women entered the workforce in the 70s, the idea of on-site childcare expanded to hospitals, government, and private companies (McIntyre, 2000). In 2000, it was estimated that approximately 80 % of children six and under were spending an average of 40 hours weekly in some type of non-parental care (Marshall, 2004 as cited in Spencer & Burnett-Murphy, 2006). Quality daycare is still a major concern for most of the parents today (Keyser & Hartley, 2002).

6.1.1 Childcare Crisis

Childcare is listed as one of the major crisis's that organizations, government, and human resource department are faced with (Zampetti, 1990, Duncan, Edwards, Reynolds & Alldred, 2004). On-site childcare is still lagging in its growth and it has not grown as much as anticipated (Oekerman, 1997). Nevertheless, the demand for childcare has increased significantly, with the increase of women employee (Keyser & Hartley, 2002). It is also projected that over 85% of the workforce in the next five years will be working parents, and there has been a significant increase in the number of single parents' households in recent years (Keyser & Hartley, 2002). Employees are often faced with the challenge of finding quality childcare that is also convenient (Durekas, 2009). Employers, on the other hand, are faced with the challenge of developing a childcare program that will work effectively for all employees, given the diversity in today's workforce (Zampetti, 1990). A survey conducted in 2000 showed that only nine percent of the 1000 companies with 100 or more employees' survey had on-site childcare (McIntyre 2000). While this number is significantly greater than 20 years ago, still this lags behind the demand created by the approximately nine million families with children under 6 years old that are in the workforce (McIntyre, 2000, Oekerman, 1997).

Childcare-related issues can disturb an employee from working with full concentration and has led to organizations losing millions of dollars due to absenteeism, decreases in productivity, high turnover, and increased training costs (Oekerman, 1997). Some of the problems stated by parents about childcare centers are cost, quality, availability and flexibility (Oekerman, 1997; Keyser & Hartley, 2002). Research has shown that childcare issues can lead to stress, lack of motivation and loyalty, less productivity, unofficial absences and accidents of the employees (Connelley, Degraff, and Willis, 2004; Oekerman, 1997). Researchers feel that the issues created by childcare crisis can be removed or reduced by the organizations providing on-site childcare facility (Connelley, Degraff, and Willis, 2004). Supporters of on-site childcare stated that this program can positively influence parents' behavior towards work, improve the well-being of children, and positively influence parents' attitudes towards their work (Milkovich, 1976).

6.1.2 Cost

The number of parents who are experiencing childcare crisis has significantly increased over the years (Durekas, 2009). The cost of childcare is significantly more and low income and single parents cannot afford childcare (Harper, Densmore & Motwani, 1993). Parents who are having more than one kid are often faced with the challenge of finding childcare centers that do not cost more than the monthly income of one of the parents (Harper, Densmore & Motwani, 1993). With the current economic state and the increasing cost of childcare program, the affordability of childcare has created a struggle for many parents (Durekas, 2009). Lack of quality and affordable childcare serves as a major hurdle for women returning back to the work (Skinner & Finch, 2006). Many families take informal childcare options, by using family members, however, while this method is cost-effective, some researchers believe that it is not as reliable as a formalized childcare facility (Hughes & Gary, 2005). On-site childcare is advantageous to employees; organizations offer charges that are lesser than what other childcare facilities charge in the community (Harper, Densmore & Motwani, 1993). Organizations usually pay for the start-up and operating cost, thereby minimizing the overall cost to employees (Oekerman, 1997; Miller 1984).

6.1.3 Quality

Parents are interested in childcare facilities that are of superior quality, to make sure the growth and development of their children (Abraham & Bowdidge, 1990, Sphacer & Bennett-Murphy, 2006). The quality of on-site childcare is viewed by organizations as a driving force in attracting and retaining deserving candidates (Miller, 1984). Employees are attracted to such organization, because of the convenience and peace of mind that on-site childcare offers. Employees are confident that their company will hire competent staff that will deliver quality education to their children (Durekas, 2009). Parents are demanding superior quality daycare from organizations, and organizations which fail to provide such option will seem less attractive to the workforce (Langland-Orban & Malsbary, 1990). Some organizations are giving a response to the demand of offering quality on-site childcare benefits to their employees, by gaining accreditation from nationally recognized institutions and boards (Oekerman, 1997).

6.1.4 Flexibility

With the increase in single-parent households, mostly run by mothers, single mothers find on-site childcare is an important tool in assisting them to maintain work-life balance (Schandl, 1992). On-site childcare centers save parents time and provide flexibility because parents do not have to drive to separate locations during their commute to work thus saving their time (Oekerman, 1997; McIntyre, 2000).

6.2 The Lasting Impact of Employer-Sponsored Child Care Centers gives valuable data about child-care as an organizational strategy.

Horizons Workforce Consulting along with Russell Matthews, Ph.D., assistant professor of psychology at Bowling Green State University conducted a study. At nearly 200 organizations, 3,100 responses from parents were studied; all those parents had children at Bright Horizon’s employer-sponsored child care centers. Findings were supplemented with data from Horizons Workforce Consultant’s own proprietary survey database of child-care needs assessment studies of more than 1, 00,000 respondents over the past 15 years.

6.2.1 RECRUITMENT

84% of respondents who had children when they started at their organization	Employer-sponsored child care was important in their decision to join the company
More than half of respondents who did not have children when they started at their organization	The availability of child care was important in their decision to join the company
96% of respondents	To recommend their employers to other working parents.

6.2.2 RETENTION

92% of respondents	Employer-sponsored child care would be important in considering a job change
90% of respondents	Employer-sponsored child care makes them more likely to continue to work for their organization
88% of respondents	It was important in their decision to return to work after the birth or adoption of a child
82% of male respondents	Noted the center’s importance in their return to work

6.2.3 WELL-BEING & STRESS

95% of respondents	Employer-sponsored child care positively impacts their ability to balance their work and family responsibilities
92% of respondents	Agree that it positively impacts their overall well-being
91% of respondents	It helps them to manage their stress levels

6.2.4 PRODUCTIVITY

95% of respondents	Employer-sponsored child care enables them to concentrate on the job
93%	It enables them to meet job expectations
87% of respondents	Access to child care enhances their productivity
79%	It enables them to volunteer for things not formally required of their job.

6.2.5 JOB SATISFACTION & ENGAGEMENT

95% of respondents	Employer-sponsored child care provides them with added flexibility at work.
85%	It is important to their job satisfaction
76% of respondents	Rank it as the best or among the best employer benefit (excluding healthcare)

6.3 Impact of employer-sponsored child-care program on employer

6.3.1 Recruitment

Researchers agreed that on-site Childcare is a good idea of attracting qualified and diverse workforces (Connelley, Degraff, and Willis, 2004). Quite often, organizations that offer on-site childcare are on the top of the list of "Best Place to Work", which make such organizations attractive to job seekers (Durekas, 2009). Publicity about a company offering on-site childcare has made organizations more fascinating to employees and organizations are being contacted by potential employees, thus saving the company money in recruiting advertisements (Oekerman, 1997). On-site childcare has led to employers saving money in recruiting and having a large pool of applicants to choose from. According to Connelley, Degraff, and Willis (2004) employer-sponsored childcare act as a straight incentive for females to enter the labor market, but it also has the ability to attract and retain fathers of small kids who seek to facilitate their wives' employment or who are single parents.

Few companies believe that without on-site childcare, they wouldn't be able to compete in a tight labor market, especially when it comes to recruitment of female employees in the high-tech industry (McIntyre, 2000, Schandl, 1992). These employers believe that on-site Childcare is a significant tool for recruiting and retaining high-tech employees (McIntyre, 2000).

1.3.2 Retention

There are many organizations which are benefited from higher retention and performance due to on-site childcare (Connelley, Degraff, and Willis, 2004). One such company is Abbott Laboratories which provide on-site daycare facility has retention rate three times higher than the norm (Kiger, 2005). Knowing that their child is very close to a safe and secure facility, leads to the motivation for parents to remain with an organization (Friedman, 1986 as cited in Oekerman).

Organizations such as Procter & Gamble has taken steps by opening a 24X7 childcare facility to accommodate night shift workers that are unable to leave their kids at home and Trout Blue Chelan Inc, has taken the initiative to run an on-site childcare facility outside the normal business hours (McIntyre, 2000). According to the manager of Procter & Gamble, their new facility is a demonstration of their commitment to their employees and has served as an incentive for employees to remain with the company (Leask, 1999). A study of internal medicine residency program shows that programs that offer employer-sponsored child care may have higher board exam pass rates than programs that do not (Atsawarungruangkit 2015). A North Carolina-based study of manufacturing facilities indicate workers place a high value on on-site child care centers, even if they do not have children (Connelly 2004). Organizations which provide employer-sponsored childcare are starting to see their employees rejecting offers from other organizations, and companies are starting to view on-site childcare as a way to remain competitive in the future (Connelley, Degraff, and Willis, 2004, Zampetti, 1991).

6.3.3 Productivity

Researchers believe that childcare-related problems can bring about stress that affects the overall productivity of an employee (Hartley & Kelsey, 2002). Studies also show that organizations which offered on-site childcare are experiencing an improvement in productivity (Leask 1999, Zampetti, 1991). Management in such companies believes that employer-sponsored Childcare creates an environment in which employees can focus their task at hand, alleviate those concerns that serve as a distraction, and affect productivity (Zampetti, 1991). Employer-sponsored childcare has led to increases in productivity because employees can now fully

concentrate on their work because they trust that their child is been taken care by competent staff (Leask 1999; Zampetti, 1991). A study of on-site child care at research universities suggests the possible increase in employee productivity (Feeney 2014).

6.3.4 Absenteeism

In 1990, The National Child Care Survey stated that 15% of all working mothers left her job due to child care problems (Hofferth, Bayfield, Deich, & Holcomb, 1991 as cited in Oekerman, 1997). Employers lose millions of dollars every year due to absenteeism caused by childcare related problems (Hartley & Kelsey, 2002). By providing on-site childcare, employers will take the benefits of decrease absenteeism in the organization as a whole (Hartley & Kelsey, 2002).

In some cases, onsite childcare has also encouraged women employees to return to work sooner after the birth of a child, because of the company's infant daycare (Aschbacher, & Burud, 1989 as cited in Oekerman 1997, Leask 1999). Women are more comfortable having their infant closer to their job, than leaving them in a childcare somewhere across town (Oekerman, 1997). She explained that parents are more secured because if there is a problem or concern, they are only a few feet away from their little ones. Others said that employers' flexibility has an even huge impact on absenteeism as compare to on-site childcare (Miller, 1984). A study of a hospital-based on-site child care suggests possible reductions in absenteeism (Gullekson 2014). However, early studies of on-site child care find both positive effects and lack of effects, positive or negative, on employee absenteeism, performance, and job satisfaction (Goff 1990, Kossek 1992, Ezra 1996, Barcenas-Frausto 2009, Gullekson 2014).

6.3.5 Enable Employers to Gain Wage Savings

Childcare at workplace helps the employers to gain savings. In the book *Kids at Work, the Value of Employer-Sponsored On-site Child Care Centers* wrote by authors Deborah S. DeGraff, Rachel A. Willis, and Rachel Connelly, some employer-sponsored childcare programs are studied. Having interviewed over 1000 employees, the research has found that on-site daycare is affordable and also profitable. Researchers have estimated that there have been \$150,000 and \$250,000 savings in two firms that rendered on-site daycare in wages (Sorensen, 2005)

6.4 Impact of an employer-sponsored childcare center on employees

6.4.1 It Is a Money Saving Activity of the Parent

Parents are often not able to take their kids to private child-care centers. It may be either because the place is filled up or they may charge high fees. These huge fees may not be affordable to parents who have a low-income bracket. In order for child-care centers to reach high insurance liability costs, they tend to increase their fees making it hardly affordable for parents. Offering childcare service at the workplace may help workers to have a secure and safe place to care for their children. In such places, they do not pay a dime or pay a jolly little fee that is affordable for them.

6.4.2 There Is Usually an Early Return to Work for Mothers

Having workplace childcare services allow new mothers to return to work early. After giving birth to a child, mothers who experience the benefits of the workplace childcare always return to work earlier than those who do not have this facility. These mothers take the advantage that their children are close to them. Hence, they are able to take care of them. It helps to improve the productivity of companies because mothers will be able to proceed with their work properly.

6.4.3 It Is Good for Morale

Working in a place where you can see your child anytime increases the morale of the parent. In some organizations with this service, another employee may watch over the baby if the parent has a business meeting. It may also have an effect on the baby. As Karissa Thacker, a psychologist in the field of management from New York, says "Space is essential as having projects to occupy children. Without having an appropriate attention and care to the surrounding, the child is more likely to act badly". It depicts that when a child experiences external care apart from the one by his parent, it may grow better. Sue Thom-John says that a child being in a retail environment has an added advantage.

6.5 CASE STUDIES

6.5.1 Ujjivan financial services

Ujjivan has set an example of how a small-scale organization can turn into a strong organization, by promoting best employee-friendly programs despite having space constraints. In association with non-profit organization Parinaam Foundation, they work with underprivileged and under-served families with a vision to create impactful change. They work together holistically to provide programs in the areas of healthcare, education, community development, agriculture, and livelihood.

For their huge goal of making woman professionals powerful, it was very much difficult to find solutions to achieve longevity in the work life of women. With the growing need for organizations, it was important for employers to retain skilled and talented employees and provide alternative solutions for leaving their job after maternity. Ujjivan was one of the first companies from the micro-finance domain to provide an 'Onsite child-care center' at their premises. In association with Founding Years (who run KLAY), Ujjivan inaugurated the 'Elaine-Marie Crèche' on June 16, 2016. This onsite childcare facility, which is open to all its

employees, operates from Monday to Friday and two Saturdays in a month. This childcare facility has a full-time Center Manager and Nanny, to care for the children.

Internal studies show that all the employees who are availing this facility are happy with this initiative. Ujjivan was one of the very few companies where admission of infants was also actively sought; highlighting the low turnaround time for mothers to return to work. Currently, the childcare center is operating at a 70 % occupancy and 100 % of the users claimed that the childcare had benefited their lives positively and boosted their careers. (www.klayschools.com)

6.4.2 ITC Info tech

ITC Info tech helps its employees identify their true potential through various training and development programs. The company builds an innovation-friendly people culture and empowers each and every employee to be its brand ambassador.

It is known for being an equal opportunities employer; their gender diversity initiatives include maternity benefits, supervised night commutation facility etc. But the main driver for this initiative is offering quality childcare to empower employees to strive for a 'work-life' balance-especially for new parents and young employees.

An internal study has shown a trend of rising attrition from new mothers after maternity leave with the most compelling reason being the challenge of leaving newborns and young children, with untrained maids at home. Considering the requirement was to address the issue of losing skilled talent and providing employee friendly solution to all employees so that they can work stress-free; an Onsite childcare Centre seemed the most efficient in addressing these concerns. ITC in association with Founding Years (who run KLAY) to open an Onsite Centre at Guntur, in 2013; one at Bangalore for ITC Info tech, since 2016. Both the centers are maintained within the campus.

With most of the workforce being from various states of India, availability of family support system for new parents working with ITC Info tech is a challenge. So, the onsite model of daycare provides relief to the working parents by offering supportive nurturing care for their kids. This initiative has also tangibly made a positive impact and helped ITC Info tech retain skilled and experienced talent. And work-life balance is a parameter which has the highest score on internal 'employee satisfaction surveys' conducted. (www.klayschools.com)

6.4.3 FLIPKART

Flipkart is India's largest e-commerce marketplace with over 60% market share of mobile commerce, has always looked into innovative new age solutions for its young employees, as 85% of its 8,000 strong employees belong to 'Gen Y' with an average age of 29 years. They have launched their Childcare Policy to create a strong support system for employees, most of who come from nuclear families and are new parents. This aim at making the work-life balance easier for working parents and also facilitate easy return to work for new mothers after their maternity break.

To help employees with quality Childcare facilities, Flip kart has tied up with one of the leading childcare service provider chains of India, KLAY, at its Bangalore center. This allows employees of Flip kart to admit children up to the age of four at their centers and avail of a 50 percent subsidy on the fee. Thus, Flip kart has set the standards for new industries or start-ups with a young crowd. Employees of Flip kart now get an annual benefit of up to Rs.1 Lac per child, enrolled at a childcare center.

Among the best innovative practices adopted by Flip kart is tying up with childcare facilities at different locations, helping employees to choose sites that are more convenient to them, instead of traveling far off to an onsite crèche in office. From flexible work environment, career breaks, work from home options to offering subsidized innovative childcare-Flip kart continues to strive to empower its employees to achieve a sustained work-life balance.

Flip kart employees are happy with this facility and their co-operative and friendly teachers and support staff. For them, an environment ensuring hygiene, safety and providing a nurturing environment for children with purposeful play-based activities daily is a boon indeed. And they ensure the child is always in safe hands and their cognitive development is ensured with well-researched activities that they provide. (www.klayschools.com)

6.4.4 SHRIRAM SPANDHANA

As one of the Bangalore's, Premium Luxury Apartments. The apartment complex with all the state-of-art amenities, a big complex located in the Domlur area outside Embassy Golf Links Business Park. At **Shriram Spandhana**, the visitors must turn into tenants and tenants turn buyers into a highly competitive residential welfare association industry where this is a choice to purchase flats. Shriram Spandhana continually strives to meet the needs of its working tenants as well as potential tenants entering their child-rearing years. Their excellent club-house and overall quality of life required an in-house childcare centers says Karthik Sundaram, VP, Shriram Spandhana Owners Association.

Offer full-service daycare services, Nursery, and KG program and an after-school program to its tenants at the key club house location.

Benefits:

- Enhanced potential tenant competitiveness.
- **Strengthened culture** by providing quality care for the children of its tenants.

Return on Investment

Shriram Spandhana began this initiative by building a brand new **onsite child care center** developed and operated by Your Kids 'R' Our Kids in Bangalore. The positive results have gotten them new tenants and the center has a wait list for the first month.

6.4.5 AMARCHAND & MANGALDAS & SURESH A. SHROFF & Co. (AMSS)

Award-winning law firm AMSS has earned a reputation as an innovative, technology-driven, forward-thinking organization. The firm employs more than 470 attorneys providing a full range of services to domestic and international clients all over the world. AMSS practice areas include corporate and finance, intellectual property, litigation, and tax. AMSS operates on several core values: collegiality, teamwork, firm loyalty, diversity, individual satisfaction, fairness, and professional development. Commitment to the whole employee is embedded in the fiber of the firm, which has provided child care for its employees since 2010. Yet, AMSS actively pursued strategies for extending **work/life benefits** for its entire employee population, not only to remain an employer of choice but to evolve their work/life program and continue to showcase their core values.

AMSS previously researched the possibility of providing child care; at the moment there a lot of young mothers and mothers-to-be. The project was always in the pipeline, but now was an opportune moment to do, considering that AMSS has a sufficient number to make it workable. Launching a premium day care facility for the children of its working mothers in a bid to support and facilitate work-life balance. They hired **Your Kids 'R' Our Kids** Consulting Practice to evaluate what type of child care would best suit their employee population — both attorneys and staff. AMSS determined that a full-service center at its Delhi location was the best choice. When it opened in January 2010, The **YKROK Child Care center** was the first of its kind in India, and AMSS is the only and first law firms in the country to offer an on-site full-service child care center.

Benefits:

- Increased recruitment, retention, and advancement of working parents.
- Extended the firm's commitment to its diverse work-force.
- Established the firm as an employer of choice and solidified their reputation in the legal industry.
- Gained recognition, including being named Best Legal Companies to Work For in India" list, best law firms for women list, and Forbes "Business of the Year".

6.4.6 Random Cases

Offering childcare program can improve the quality of applicants and the frequency at which vacancies in an organization can be filled. It enabled Akamai in the United States and Mind tree in India to recruit and retain highly qualified and skilled software engineers, enables Borusan in Turkey to work toward building a gender-diverse employees in a mostly male-dominated manufacturing industry, allows organizations such as Schön Klinik Neustadt in Germany to hire staff for their 24/7 operations, and helps MAS Kreeda Al Safi-Madaba and Martur recruit females in locations where it is not common for mothers to enter formal employment.

Textile producer Nalt Enterprise in Vietnam estimates that it costs 85% of a factory worker's annual salary to replace that worker. Providing childcare at Nalt reduced employee turnover by one third. Similarly, car component producer Martur in Turkey estimates that it takes eight months for a new production worker to be fully productive. In Martur's team-centered environment, a new employee's lower productivity reduces the productivity of the whole line. At Martur, giving childcare-related benefits reduced staff turnover by approximately 15%. The Bank of Tokyo-Mitsubishi UFJ, Ltd. in Japan realized a more than four-fold increase in the retention of new mothers and saved an estimated 5,000 million Japanese yen (\$45 million) in employee turnover related costs by offering initiatives such as maternity leave extension.

MAS Kreeda Al Safi-Madaba, absences because of sick leave fell by 9% in the first 9 months after a workplace childcare was started. Farm employees at Afrifresh in South Africa have reported greater peace of mind and ability to concentrate on their work knowing that their children are out of harm's way and cared for in the company's on-site childcare. A plant manager at Pandurata Alimentos Ltd. (Bauducco) in Brazil has noted that childcare facility has led to a reduction in accident rates as employees are more focused and at ease knowing that their children are safe.

7. METHODS FOR COLLECTING AND ANALYZING LITERATURE

This conceptual paper is based solely on a review and analysis of research and data from the literature. Several methods were used to collect and analyze the literature.

First, research was conducted using the Google search engine. Terms such as 'employer-sponsored childcare' and 'Onsite Daycare' were used and a limited amount of information was found. Information on child-care programs that make sense by Janet H. Marler and Cathy A. Enz proved promising. The most helpful piece of literature was Erin L. Kelly's work.

Second, websites of agencies which provide childcare facility to different organizations were reviewed. The articles were retrieved and reviewed. Other terms were searched and sorted in the same manner.

Third, I met the director of childcare centers as well as parents who are availing this facility at the workplace.

8. DATA COLLECTION AND DATA SOURCES FOR FUTURE RESEARCH

This is a conceptual paper that is based solely on a review of the literature on the topic of an employer-sponsored childcare facility. For future research, a quantitative study would be conducted to obtain data on the employee's performance who are getting employer-sponsored childcare facility. A quantitative method would be used because the research question would be a casual one. The procedures for conducting research would be to create a valid instrument that measures the performance of employees who are getting employer-sponsored childcare facility. That survey has been validated, and if it could be obtained, would be a good instrument for a future study. The sample population to be studied would be employees whose company is providing childcare

facility and employees whose organization is not providing this facility. The sample size would be 30-50 participants because it would be difficult getting a larger number of participants in a timely manner. For ethical reasons, participants will be asked to read and sign a consent form stating that they willingly participated in the study and that any answers provided will be used as data and compiled into a report. The participants will also be informed that participation in the survey is completely confidential and voluntary and they are free to leave at any time.

9. DATA ANALYSIS STRATEGIES FOR FUTURE RESEARCH

Since future research will rely on a survey, strategies for data analysis would be to separate the surveys from those who are getting employer-sponsored childcare facility and who are not getting this facility. If the questions from the survey use a likert scale it will be easier to analyze the data. The responses to each question will be tallied in an excel spread sheet. Responses from parents who are getting this facility will be placed in a separate spreadsheet from the other respondents. From the responses, conclusions will be made about whether employees who are getting this facility are more satisfied than the employees who are not getting this facility.

10. FINDINGS FROM LITERATURE

Literature was useful for understanding the topic for this conceptual paper. The literature enabled me to fulfill my following objectives:

- i. Parents are facing issues related to childcare crisis, cost, flexibility, transportation, security, and quality.
- ii. Both employers and employees are impacted by employer-sponsored childcare facility.
 - a. This facility helps organizations to retain good employees.
 - b. Employees prefer to join organizations which provide childcare facility. Employer-sponsored childcare facility improves recruitment.
 - c. This facility also improves productivity.
 - d. Absenteeism rate decreases.
 - e. It helps to improve the morale of employees.
 - f. It helps to reduce employee stress.
- iii. There are very few organizations which are providing childcare facility. From available case studies, both employees and employers are happy with these new fringe benefits.

11. CONCLUSION

The findings led me to draw conclusions that there is a limited number of organizations providing childcare facility. But the organizations which are providing this facility have experienced growth in production and improvement in employee performance.

Though there are few disadvantages of this facility, the benefits of employer-sponsored childcare facility are enormous.

From The literature review, I can conclude that the organizations which are providing these fringe benefits are experiencing a positive impact on recruitment, retention, production, and absenteeism and employee morale.

In coming years, it is going to be unavoidable to provide childcare facility if they want to survive in competition.

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