

MATERNITY BENEFITS
(AMENDMENT) ACT, 2017:
**REVISITING
THE IMPACT**



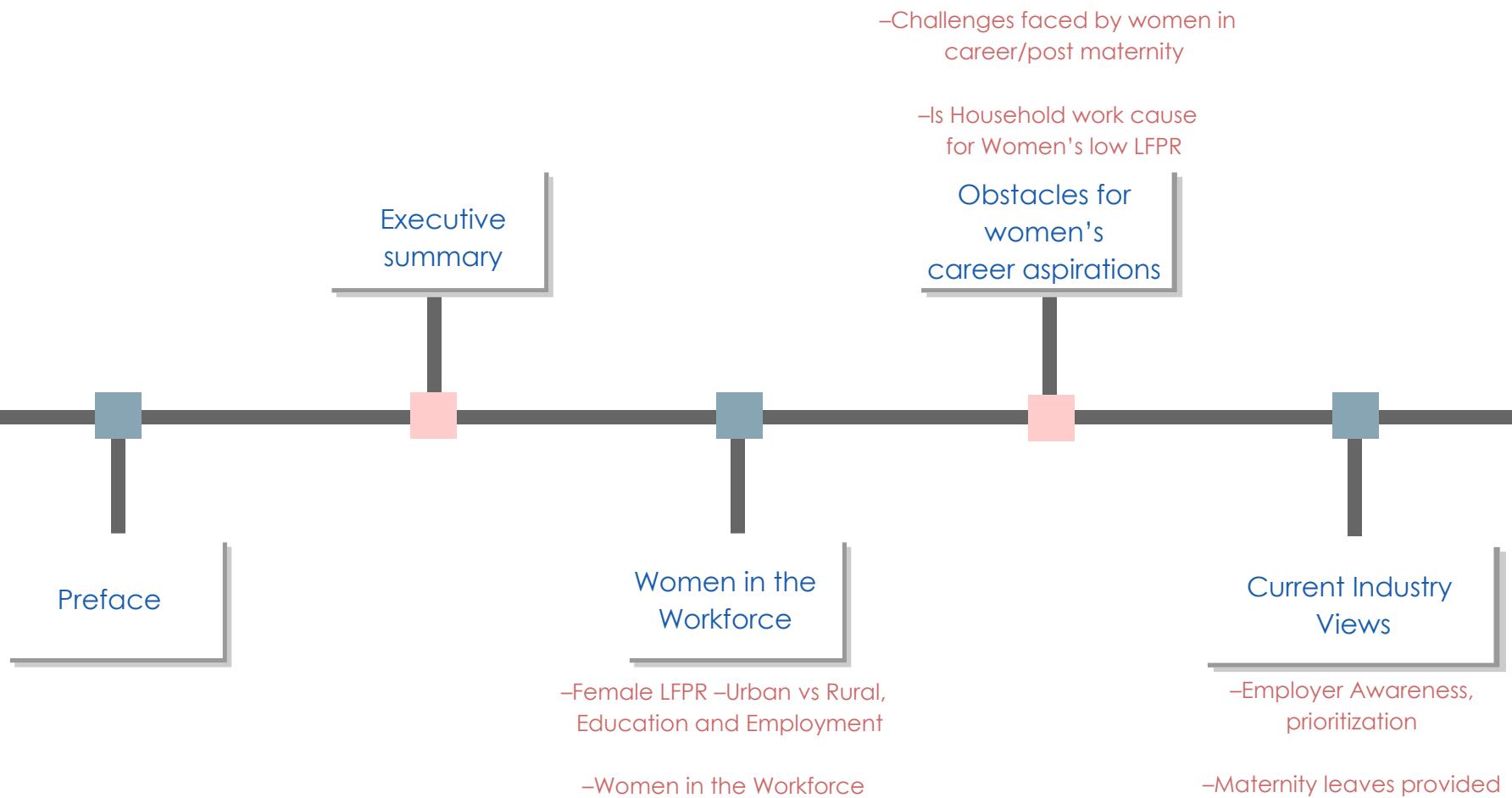
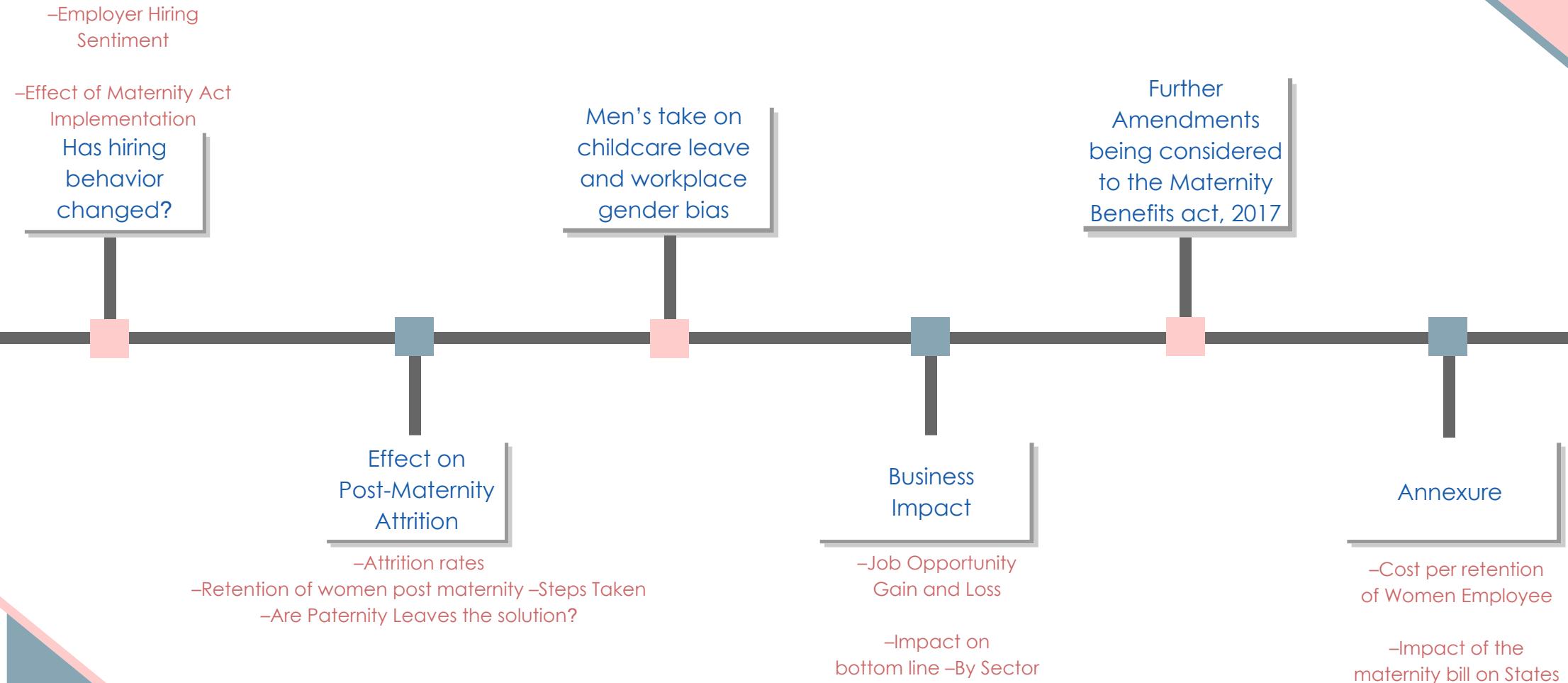


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Three years since the Maternity Benefits (Amendment) Act was introduced, we revisit the impact it has made on opportunities for women in the Indian workforce. We had reported the initial Industry reaction to the act, and forecast job opportunity prospects for women over FY 2018-19. This edition of the report covers the current industry opinion and opinion of male and female employees compared to the reaction when the act was amended in 2017, and steps taken by employers for implementing the provisions of the act.

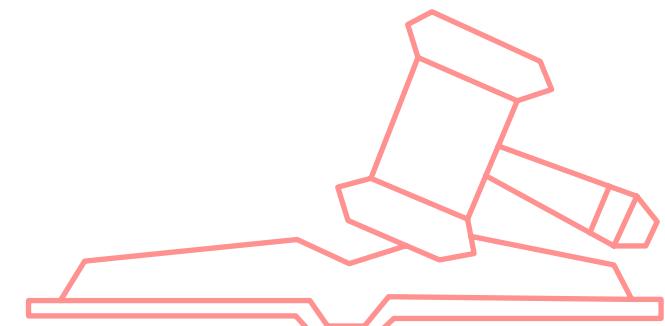
While the act is intended to improve female workforce participation certain deep-rooted societal realities inhibit women from joining the workforce. The report delves into patriarchal attitudes and gender-role stereotypes that continue to play a key role in suppressing LFPR rates, while also rendering the act ineffective. The report also explores the industry perspective of paternity leave.

Unpaid domestic labour is a bane for Indian women. From cooking to cleaning, from child and elderly care to emotional labour, women's unpaid domestic labour goes largely unrecognised and uncompensated. Women in India spend six times more hours than men on unpaid domestic labour. The report captures women's perspectives on this brutal statistic hiding, right within our homes, in plain sight.

It is important for men to equally share in caregiving responsibility so women can aspire beyond the confines of home. And employers need to take cognizance and frame policies accordingly. Gender roles stereotypes must be done away with – it is about time.

Rituparna Chakraborty

Co-Founder and Executive Vice President,
TeamLease Services Limited



The Maternity Benefits (Amendment) Act 2017 has yet to deliver a positive impact on job opportunities for women. One societal reality significantly hinders the success of the Maternity Benefits Act: household duties and responsibilities, and the associated stigma, burdening women far more than men.

Women likely faced a net job opportunity loss between **9.1 lakhs and 13.6 lakhs over FY 2019-20**, as compared to 13 lakhs –18 lakhs job loss in FY 2018-19.

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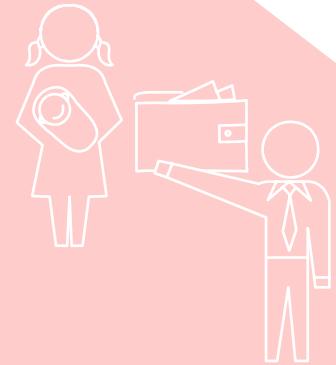
Job Opportunity Gain:
BPO/ITes, BFSI, Ecommerce and IT displayed moderate to significant job opportunity gain for women during FY 2019-20 – in line with the forecast made in the previous edition of the report. BFSI continues to employ the highest proportion of women in the workforce, compared with other sectors.



Job Opportunity Loss:
Aviation, Retail, and Tourism continued to cause net job opportunity loss for women during FY 2019-20, belying expectations of net gain. Education, Real estate and Manufacturing also caused job opportunity loss, in place of the expected mixed outlook.



Industry behaviour towards hiring of women:
Large (private and public), and Small and Medium (public) companies have stayed in the “Benevolent” zone, Start-ups have remained split between the “Calculative” and “Manipulative” zones, whereas some of the SMEs are not just “Manipulative” but also “Restrictive” in their hiring behaviour.



Estimates of Post-maternity retention costs:
Between 84% and 102% (increase of 4% –12% from FY 2018-19) of the annual salary in case of white collar employees, and up to 118% (reduction of 17% from FY 2018-19) of annual salary in case of blue collar employees.

Hiring outlook forecasts by geography:

Of the 28 states and 2 union territories, 13 stayed true to the forecasts and 17 bucked the forecasts, made for medium term.



– Of the 10 states which were expected to show a negative outlook over the medium term, 6 states and 2 union territories have posted a higher LFPR in FY 2018-19 when compared to FY 2017-18.

– Of the 20 states that were predicted to have moderate to high positive outlook, 9 states ended up posting a lower LFPR in FY 2018-19 than in FY 2017-18.

– Himachal Pradesh has the highest LFPR of 64.1% and Bihar has the lowest LFPR of 4.5%.

Women's Labour force Participation Rate (LFPR) shows no signs of improvement



Women's LFPR for India stands at 20.52% in FY 2019-20 (compared to 20.71% in FY 2018-19), falling behind Pakistan which had a lower LFPR than India in FY 2018-19.

Indian women spend 6 times more the amount of time spent by men in daily household duties and responsibilities, burdening them far more than men and forming the root cause for the female LFPR to be in limbo. This societal reality significantly hinders the success of the Maternity Benefits Act.

Trend highlight: 60% of rural working women are self employed and 55% of urban working women are salaried employees.

What is preventing women from joining the workforce?



Top 3 obstacles to having a successful career:

Time spent on domestic duties (30% of all female respondents), Social stigma against women in employment(24%) and Gender stereotype/Regressive attitudes of Employers (21%).

Daily time spent in domestic duties: 26% of women spend anywhere between 4 and 6 hours; 26% of women between 7 and 9 hours. Four in five women (79% rural women and 86% urban women) wish men spent at least 1–3 hours daily carrying out household duties.

Biggest workplace challenge for women: Start-ups (56% of all female respondents) and MSMEs (45%) – inadequate leaves (Maternity/Non-Maternity); MNCs (33%) – not being considered for promotions; Family run business (43%) – not being given work that is challenging enough.

Top three post-maternity challenges faced by women: Wage cuts (30% of all female respondents), resistance/lack of support from family (25%) and Access to childcare(20%).

Employer / Industry sentiments on the Maternity Benefit (Amendment) Act 2017 (TeamLease Maternity Benefits Act (revisited) Survey Findings)

Awareness: Only 53% of the employers have complete awareness of the act and its provisions.

Employer opinion: 47% employers negative, 40% positive, and 13% neutral, with greater than 90% of all employers facing issues in varying degrees of severity.

Impact on organizations: 84% of the employers believe the act has negatively impacted their organizations through increased attrition (34% of the employers surveyed), increased cost (24%) and increased burden to the employees (26%).

Compliance: Only 40% of all employers surveyed provide the mandated 26 weeks of paid maternity leave.

Perceived sense of benefit: 53% employers believe that the act is not cost effective at present, but that it will be beneficial in the long run.



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Employee / Employer / Industry sentiments on childcare leave and retention of women talent post maternity

Post-maternity attrition-Employer perspective:

Post-maternity attrition has increased to 45% from 40% in FY 2018-19.

Post-maternity attrition-Women Employee perspective:

Post-maternity, 43% women employees do not join back the workforce at all and only 27% go back to the same employer.

Paternity leave-Employer Perspective: 44% of all employers believe providing paternity leaves will not reduce maternity related women's attrition.

Childcare Leave-Male Employee Perspective: 45% male employees believe both parents should be provided paid leave. Most men agree that workplace gender bias has increased against women retention(48%) and career progression(54%).



Post-maternity women retention efforts by employers: are not aligned with actual challenges highlighted by women. Nearly one in four employers (24%) provide flexible working hours to reduce post maternity attrition, whereas the key challenge highlighted by women are wage cuts(30%).

CONTEXT AND BACKGROUND

4-YEAR FORECASTS MADE IN FY 2018-19
ABOUT THE IMPACT OF THE MATERNITY
BENEFITS (AMENDMENT) ACT, 2017

CONTEXT AND BACKGROUND

Forecasts made in FY 2018-19

Medium term forecast
(2017)

Positive Impact

Real Estate
Education
Manufacturing

Aviation
BPO/ITeS
Ecommerce
BFSI
IT
Retail
Tourism

Mixed Impact

Women's LFPR was expected to improve and seven sectors, out of ten, were forecast to have a positive impact on job opportunities for women over the medium term.

Women
LFPR



Job
opportunity
gain

BPO/ITeS
Ecommerce
Education
BFSI
IT

Short term Impact
(2017)

Aviation
Real Estate
Education
Manufacturing
Retail
Tourism

Job
opportunity
loss

to see
incremental
improvement

CONTEXT AND BACKGROUND

Forecasts made in FY 2018-19



Post-maternity retention in FY 2018-19
(% of annual salary spent on retention activities)
• 80% -90% in case of white collar employees
• up to 135% in case of blue collar employees.

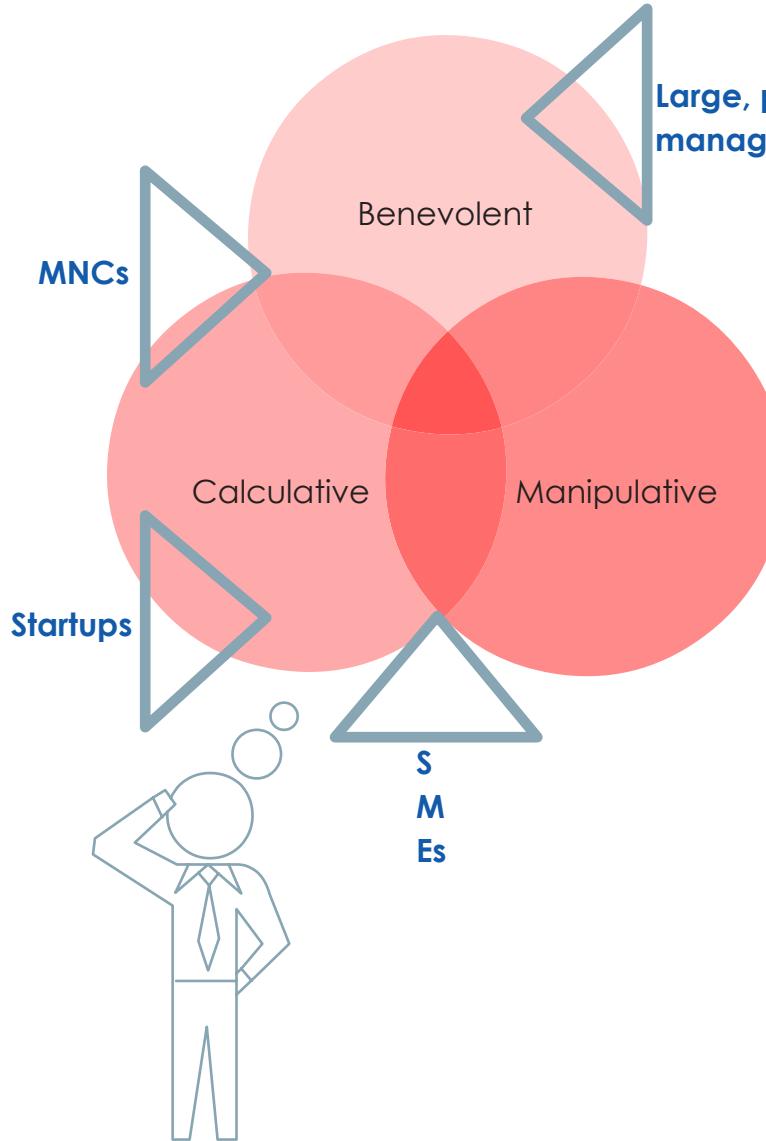


Post-maternity attrition was expected to fall from 40% in FY 2018-19 to 33% over a medium-term of 1 to 4 years.



20 out of 30 States and Union territories were expected to have a positive outlook over medium term.

Industry Behaviour (2017)



Large, professionally managed companies

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Attrition **33%**
post-amendment
(medium term: 1 – 4 years)

20 out of **30** states
to embrace the act
more positively
over medium term

Source: 1) *The Impact of Maternity Benefits on Business and Employment, TeamLease-Valuvox 2018*

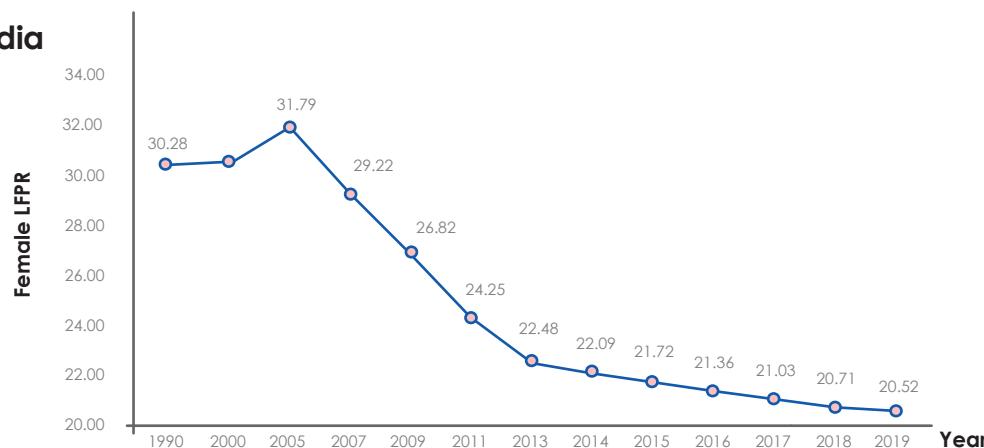


WOMEN IN THE WORKFORCE

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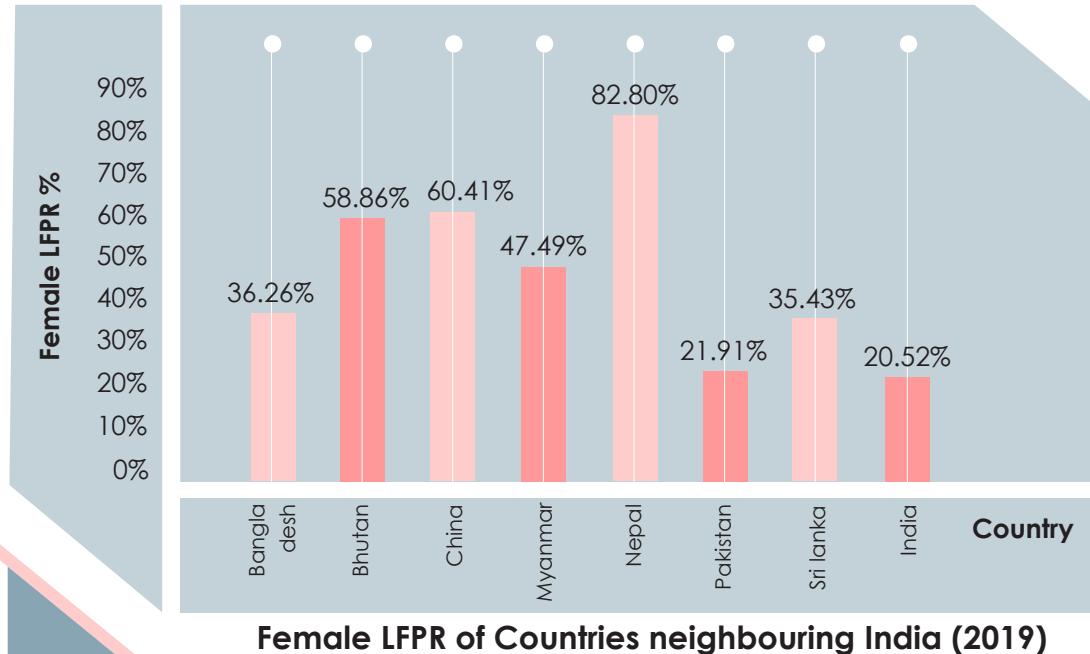
Women in the Workforce

Declining Female LFPR in India



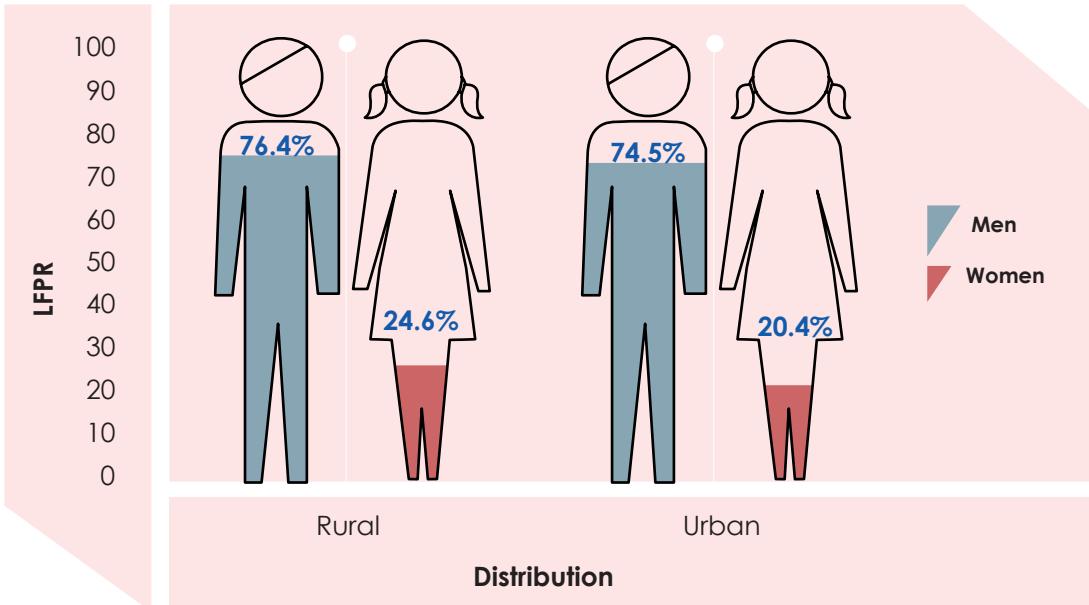
India is among the bottom 10 countries in the world in terms of women's workforce participation.

Disclaimer : The PLFS report of 2018-19 by MoSPI, GoI shows the female LFPR at 24.5



Female LFPR of Countries neighbouring India (2019)

Rural vs. Urban women LFPR (2018)



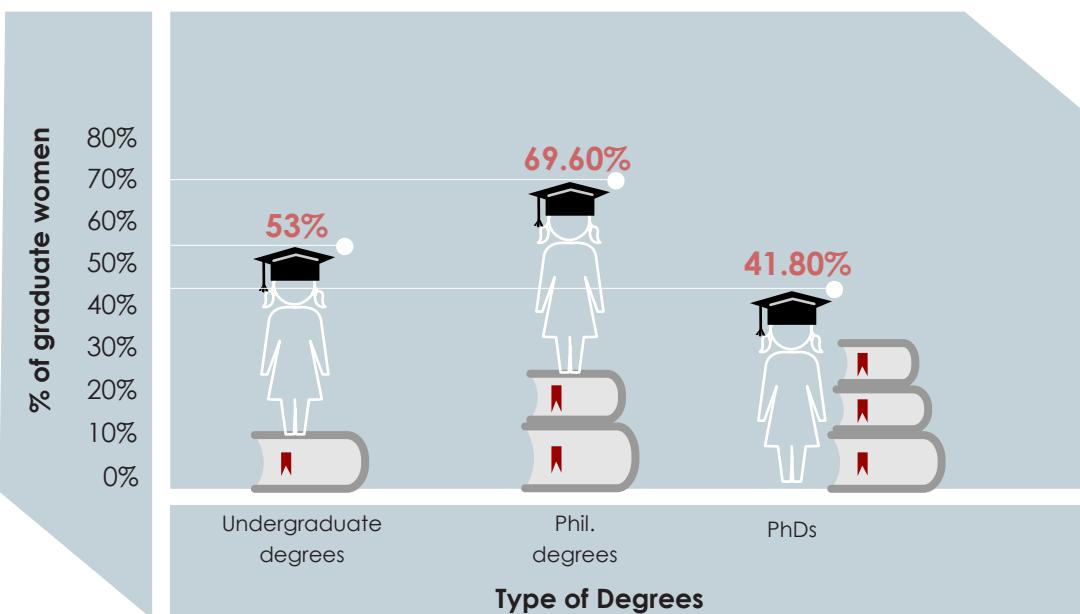
Among the eight neighbours (this includes Pakistan which had a lower LFPR than India in 2017), India recorded the lowest female LFPR of 20.52 in 2019. Workforce participation was significantly higher among rural women than among urban women in 2018.

Source: 1)World Bank data 2) As India advances, women's workforce participation plummets, strategy-business, May 2020 3) Women in the Workforce India, Catalyst

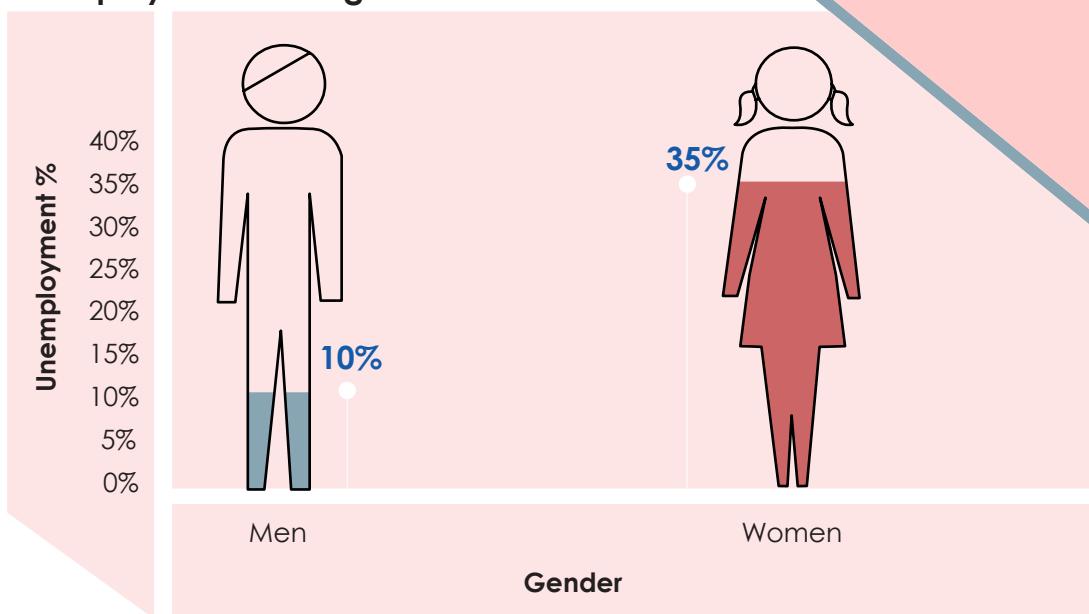
Women in the Workforce

Education and Employment

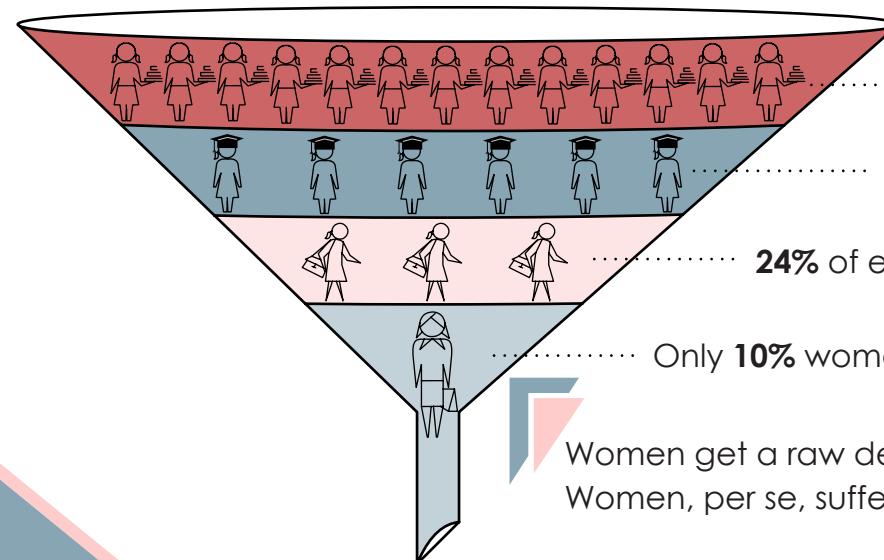
Women Graduates in 2018-19



Unemployment among Graduates in 2019



How the career funnel narrows for women



17.4 million women enrolling for higher education

Women form 42% of new graduates

24% of entry level professionals are women

Only 10% women reach senior level

Women get a raw deal in terms of their progression from education to careers.
Women, per se, suffer significant underperformance on employment and career growth.

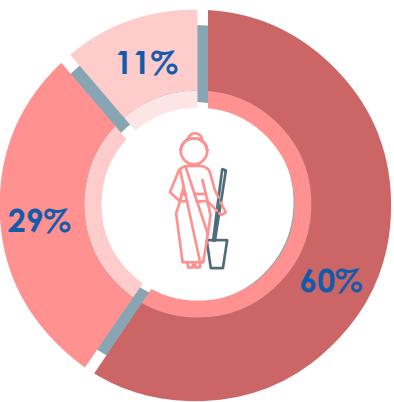
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Source: 1) India's workforce is masculinizing rapidly, Livemint, June 2019 2) Number of women enrolling in higher education rises 1,350 per cent in 7 years, Theprint, July 2018 3) Millions of Women Are Dropping Out of Work, News18, June 2019

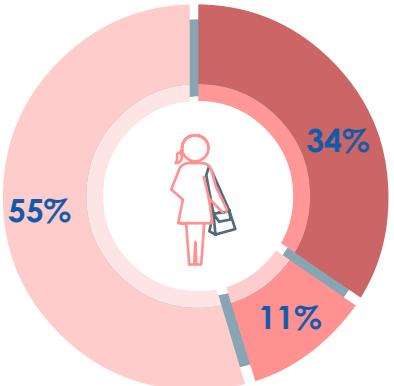
Women in the Workforce

Demographics

Employment type - Rural Female



Employment type - Urban Female



Impact of Maternity Benefits Act is higher for **urban** women since **55%** of them are salaried employees whereas only **11%** of **rural** working women are regular wage earners.

Self-employed Casual Labour
Regular Wage, Salary Earning

Percentage of Women Employed in 2019



BFSI has witnessed a rise in women's participation from 39.2% to 41%, and BPO/ITeS from 38.7% to 40%, between FY 2018-19 and FY 2019-20. On the other hand, women's low participation in Real Estate worsens from 16.3% in FY 2018-19 to 14% in FY 2019-20.

Source: 1) TeamLease Maternity Benefits Act (revisited) Survey, FY2019-20 2) Periodic Labour Force Survey 2018-19

OBSTACLES FOR WOMEN'S CAREER ASPIRATIONS

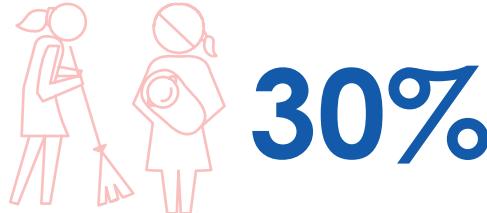
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Obstacles for women's career aspirations

The root cause for low female LFPR

Top three hurdles women face

■ Time spent on domestic duties



■ Social stigma against women in employment

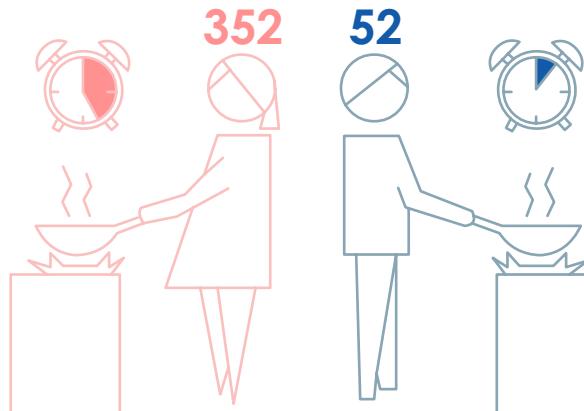


■ Gender stereotype/Regressive attitudes of Employers

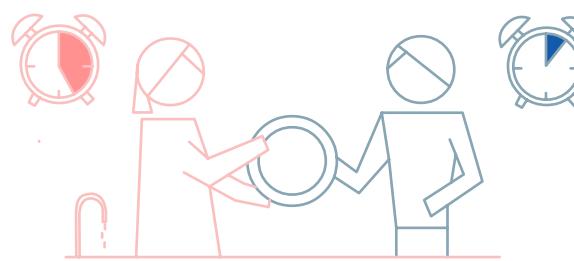


Percentages represent share of female respondents

Time spent (in Minutes) per day in household duties



As per OECD data, Indian women spend **6 times more** the amount of time spent by men in daily household duties.



Hours in household work by women:
4-9 hours per day (56%)

Hours in household work by men:
1-3 hours per day (83%)

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■ Women perceive time spent on domestic duties, patriarchal/regressive attitudes of society and access to childcare as the key obstacles preventing them from fulfilling career aspirations.

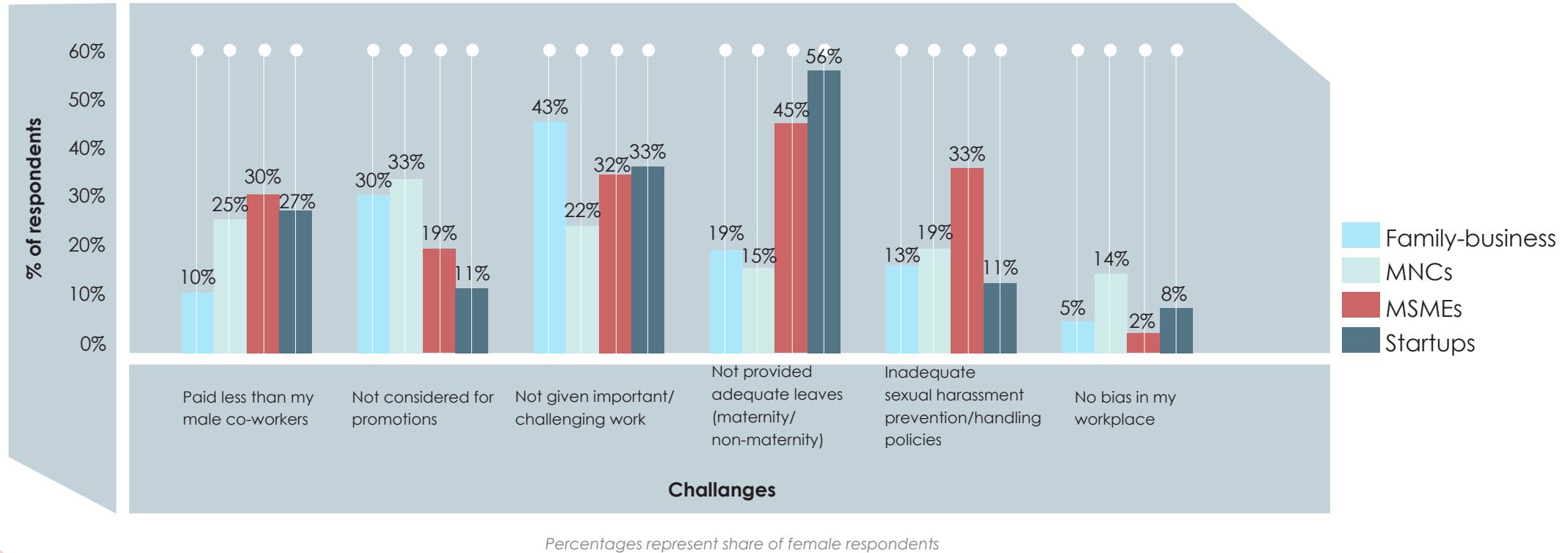
64% of Women are involved in domestic duties due to non availability / unwillingness of other family members.

Women in rural and urban areas are burdened by challenges unique to either. Urban women spend significantly more time than rural women in managing household duties – a key, common challenge.

Household duties and responsibilities burdening women, far more than men, is the root cause for the female LFPR to be in limbo. This societal reality significantly hinders the success of the Maternity Benefits Act.

Source: 1) TeamLease Maternity Benefits Act (revised) Survey, FY2019-20 2) How domestic responsibilities are keeping India's women away from workforce, increasing inequality, scroll.in, March 2019 3) 68th round of the NSSO survey

Challenges faced at the Workplace – Women's perspective



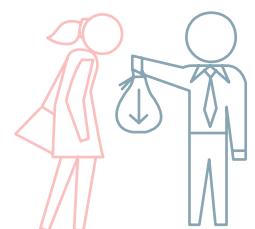
Almost an equal proportion of women from MNCs (25%), MSMEs (30%) and Start-ups (27%) report being paid less than their male co-workers. Inadequate leaves (maternity/non-maternity) is another key challenge faced by women working with MSMEs and Start-ups.

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Obstacles for women's career aspirations

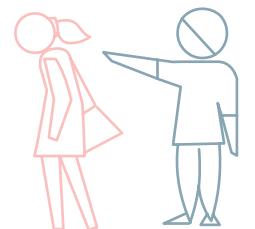
Obstacles women face post-maternity

Obstacles faced post-maternity - Women's perspective



30%

Demoted/Salary has been reduced



25%

Facing resistance/lack of support from my family



20%

Access to Childcare



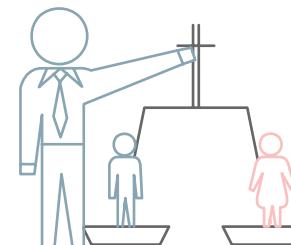
19%

Travel/Commute is a serious problem for me



17%

Unable to work for long periods, night shift etc.



12%

Not provided challenging work/responsibilities



8%

Unable to satisfactorily manage office responsibilities



7%

Facing health issues

Percentages represent share of female respondents
(add up to greater than 100 because of respondent overlap)

Key challenges faced by women coming back to work post maternity are **wage cuts (30%)**, followed by **lack of support from family (25%)** and access to childcare (20%).

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

CHANGES PLANNED TO THE MATERNITY BENEFITS ACT (AMENDMENT), 2017

Changes planned to the Maternity Benefits Act (Amendment), 2017

Maternity Benefits Act (Amendment) 2017

■ In case of 1st or 2nd time mothers, duration of Mandatory Paid Maternity Leave –26 weeks.

■ In case of women having 2 or more children, duration of Mandatory Paid Maternity Leave –12 weeks.

■ In case of women adopting a child below the age of 3 months, duration of Mandatory Paid Maternity Leave- 12 weeks.



■ Every organization having 50 or more employees must have a creche facility either separately or along with common facilities with up to 4 visits a day from the mother.

■ Every employer must inform the employee of every benefit in writing and electronic format at the time of joining the organization.



■ If the nature of Work is such that Work from Home can be availed, then with the mutual agreement of the employer and the employee Work from Home(WFH) can be availed for a period of 8 weeks post the maternity period.



Planned changes to the Maternity Benefits Act (Amendment), 2017



The Ministry of Labour & Employment is working on an incentive scheme wherein 7 weeks wages would be reimbursed to employers who employ women workers with wage ceiling up to Rs. 15000/- and provide the maternity benefit of 26 weeks paid leave. This is in the process of obtaining necessary budgetary grant and approvals of concerned authorities.



The Maternity Benefits (Amendment) Act, 2017 is designed to retain women in the workforce –a goal yet to materialize. The government is contemplating further changes to make the act more effective.

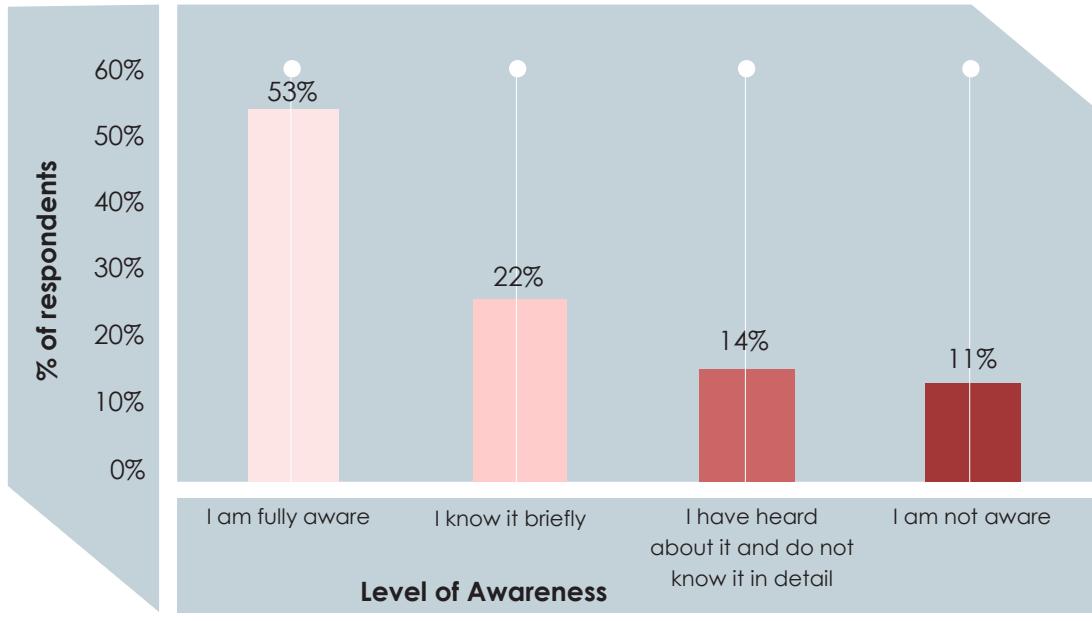
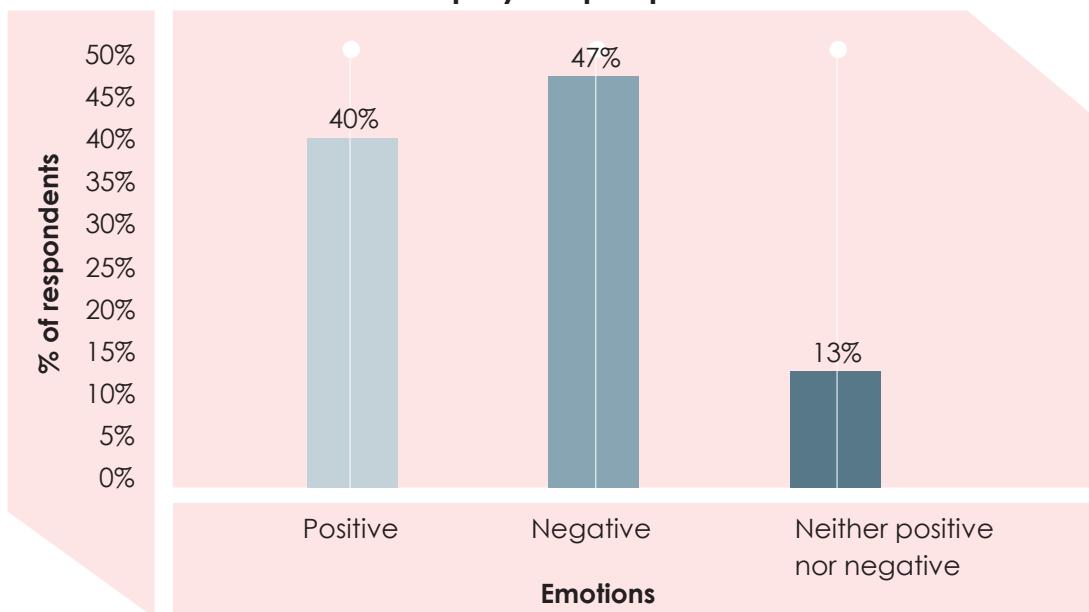
INDUSTRY VIEWS

FY 2019-20 VERSUS FY 2018-19

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Employer Awareness, Opinion

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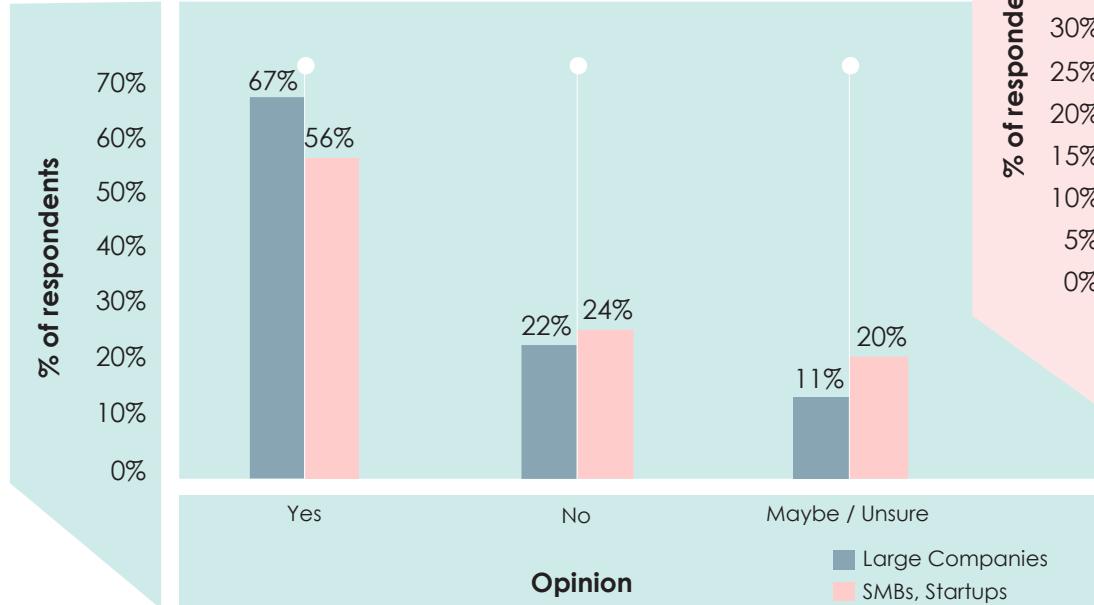
Awareness of the Maternity Benefit(Amendment) Act -
Employer's perspectiveOpinion on the Maternity Benefit(Amendment) Act -
Employer's perspective

The act lacks widespread awareness. Nearly half the employers surveyed (47%) indicate that they have partial or no knowledge of the act. Employers continue to have a mixed opinion about the act.

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Employer prioritization, compliance

Priority of having a robust maternity policy in organizations - **Employer's perspective**



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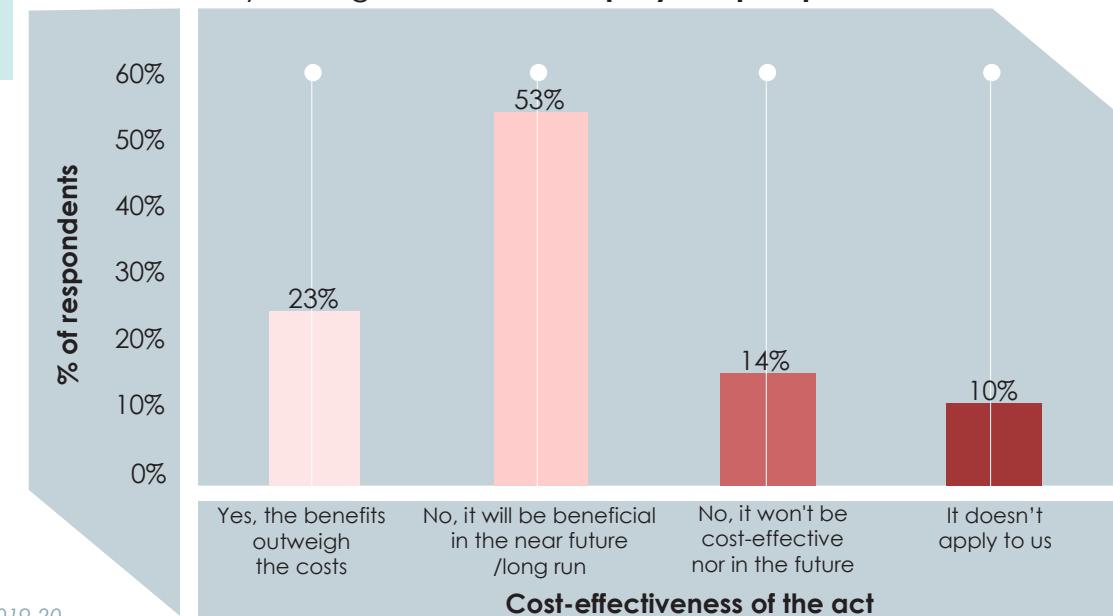
A majority of employers believe the act will be cost effective only in the long run, and are yet to fully comply with the recent amendments. Large companies are more focused on providing an effective maternity policy for their employees than SMBs and start ups.

Source: TeamLease Maternity Benefits Act (revisited) Survey, FY2019-20

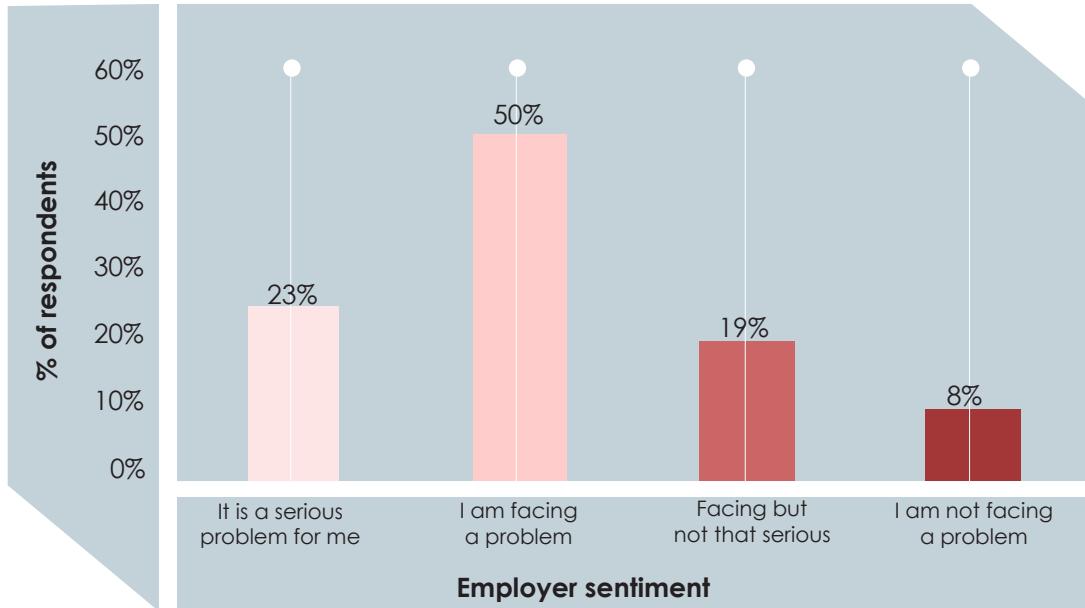
Maternity Leaves provided - **by Employers**



Is the maternity act amendment cost-effective to your organization? - **Employer's perspective**

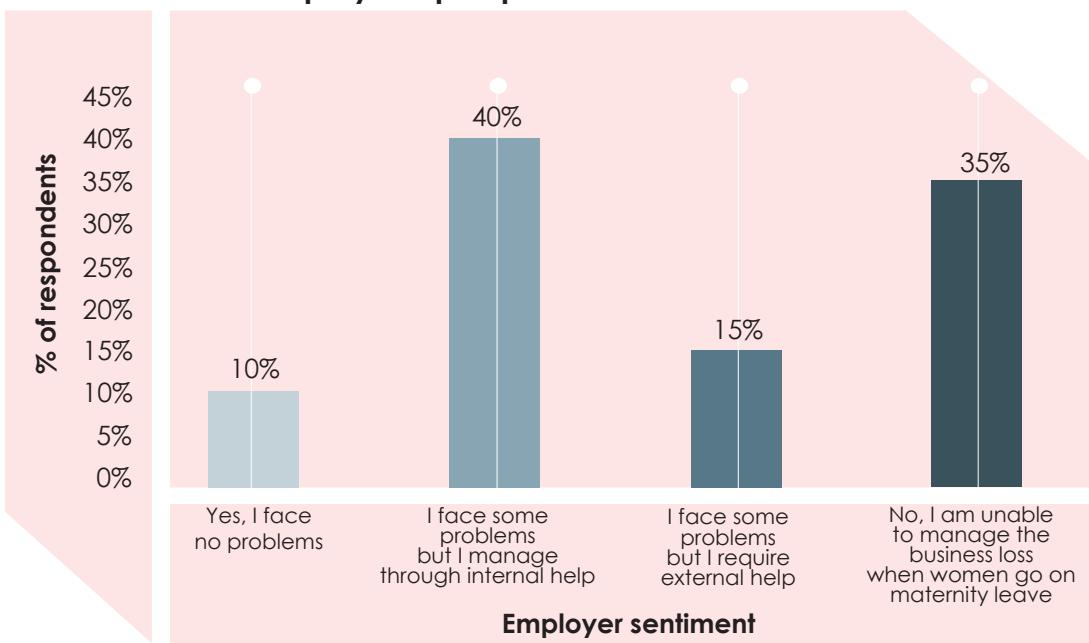


Views on the Maternity Act -
Employer's perspective



Percentages represent share of employer respondents

Are you able to manage the loss in manpower
when women employees go on maternity leave? -
Employer's perspective



Managing manpower loss due to the maternity leave is a key challenge for most employers.

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20



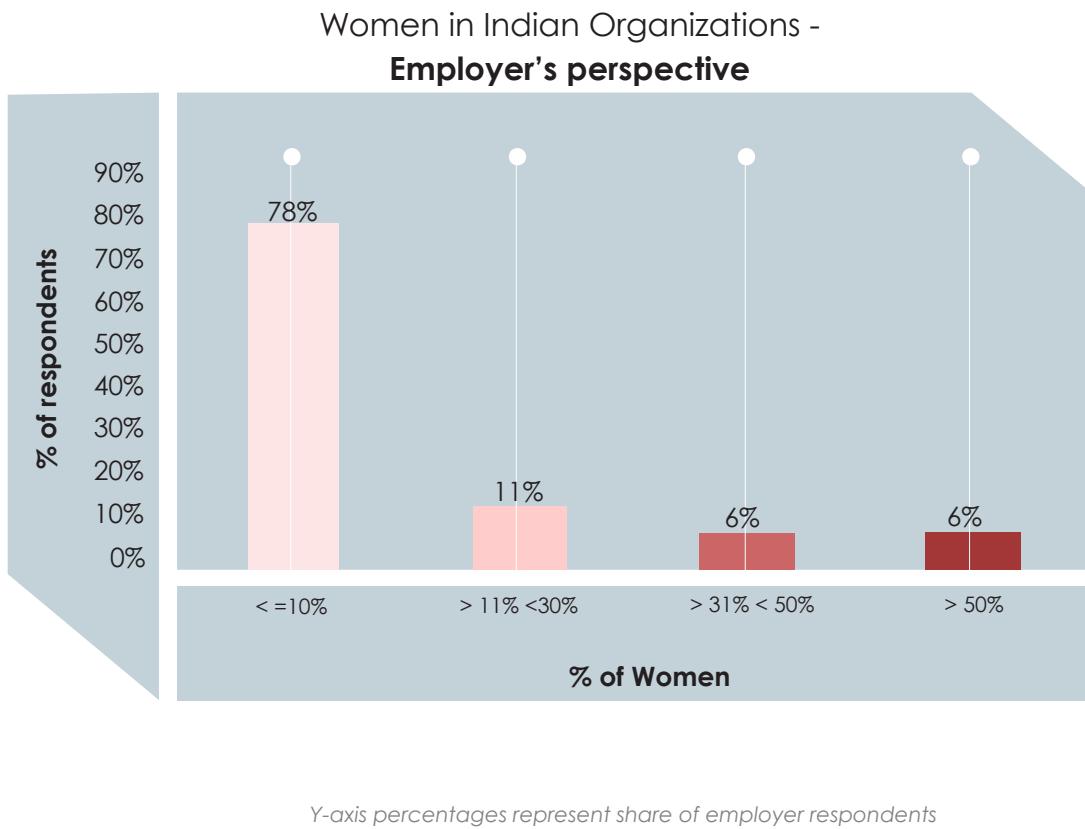
HAS HIRING BEHAVIOR CHANGED?

FY 2019-20 VERSUS FY 2018-19

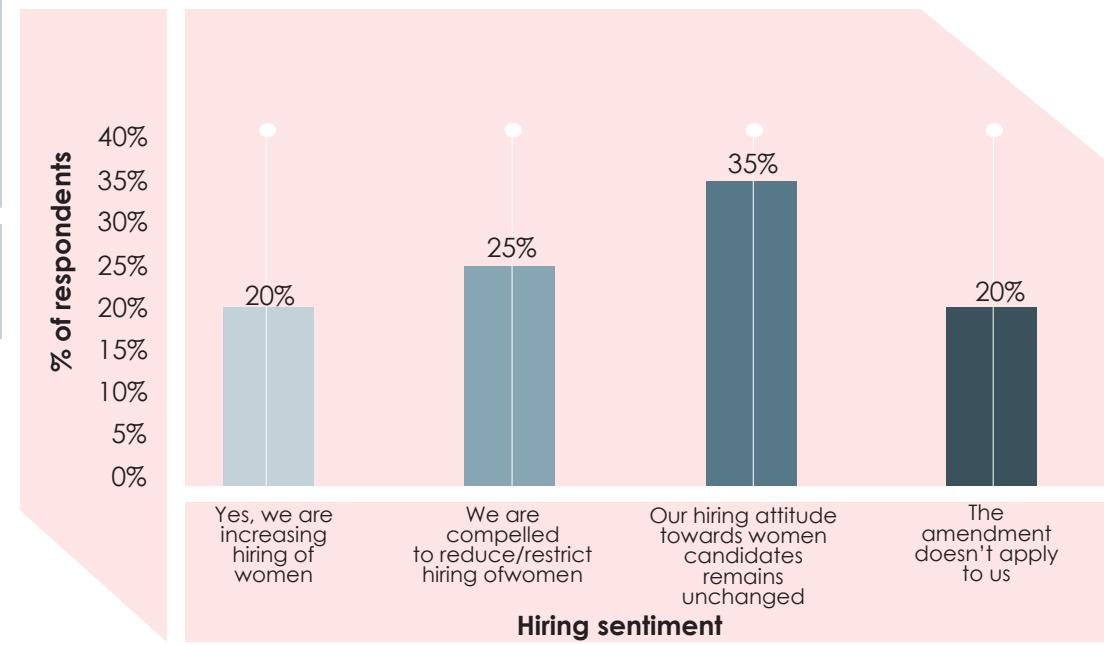
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Has hiring behavior changed?

Employer hiring sentiment



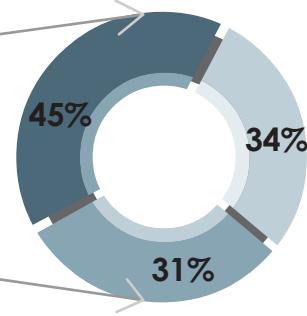
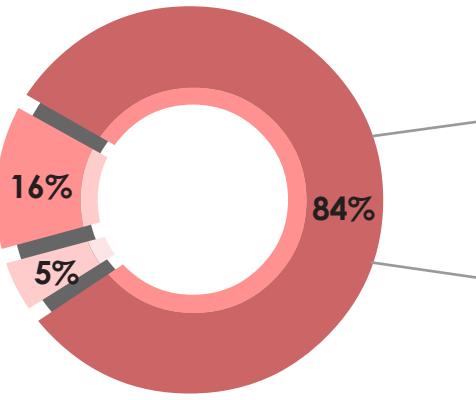
Employer Hiring Sentiment towards Women Candidates - **Employer's perspective**



Employers continue to be reticent in hiring women – only one in five among those surveyed are hiring more women.

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Effects of the Implementation of the Act - Employer's perspective



- No benefits
- Yes, it has reduced attrition
- Yes, it has helped in reducing costs
- No, it has increased attrition
- No, it has increased costs
- No, it has increased burden on employees

Percentages represent share of employer respondents



 Increasing attrition (45%) and costs (31%), and increased burden on fellow employees (34%) are the fallout as listed by employers.



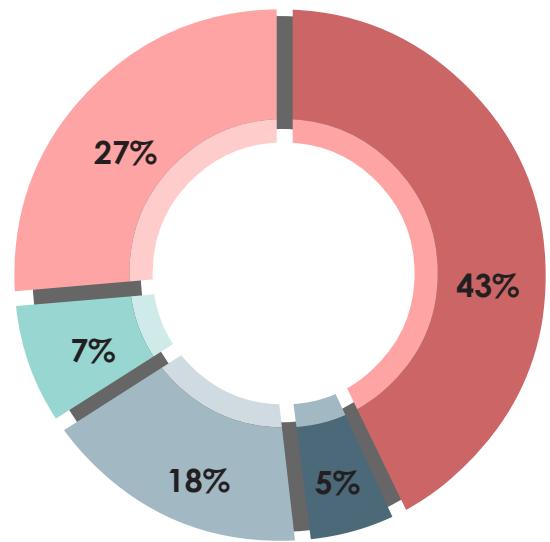
EFFECT ON POST-MATERNITY ATTRITION

ATTRITION TIME FRAME – DIFFERENT
PERSPECTIVES, EFFORTS TO RETAIN
WOMEN TALENT, VIEWS ON PATERNITY
LEAVE

Effect on Post-Maternity Attrition

Did you return to your previous employer after maternity?

- Women's perspective



No, I became a home-maker

No, I joined a different company in a different domain

No, I joined a different company in the same domain

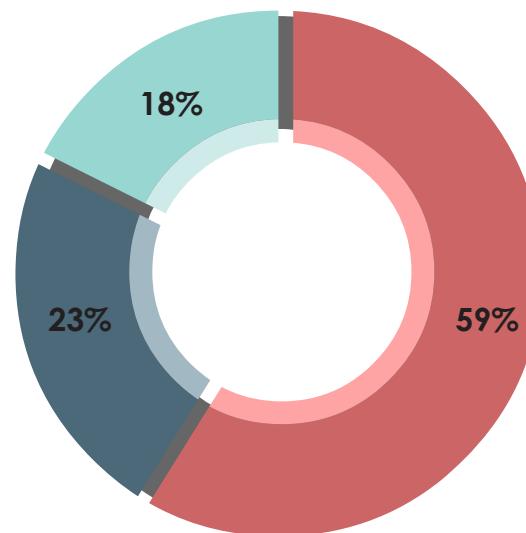
No, I started my own business

Yes, I returned to my previous employer

Percentages represent share of female respondents

Time period women stay post maternity?

- Employer's perspective



6 months or less

7 to 12 months

13 to 24 months

Percentages represent share of employer respondents

Post-maternity Attrition rate of women : 45%

Most women attrite either immediately or within a few months of joining the workforce post maternity. Post maternity attrition has increased to 45% from 40% in FY 2019-20, as per employers.

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Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Effect on Post-Maternity Attrition

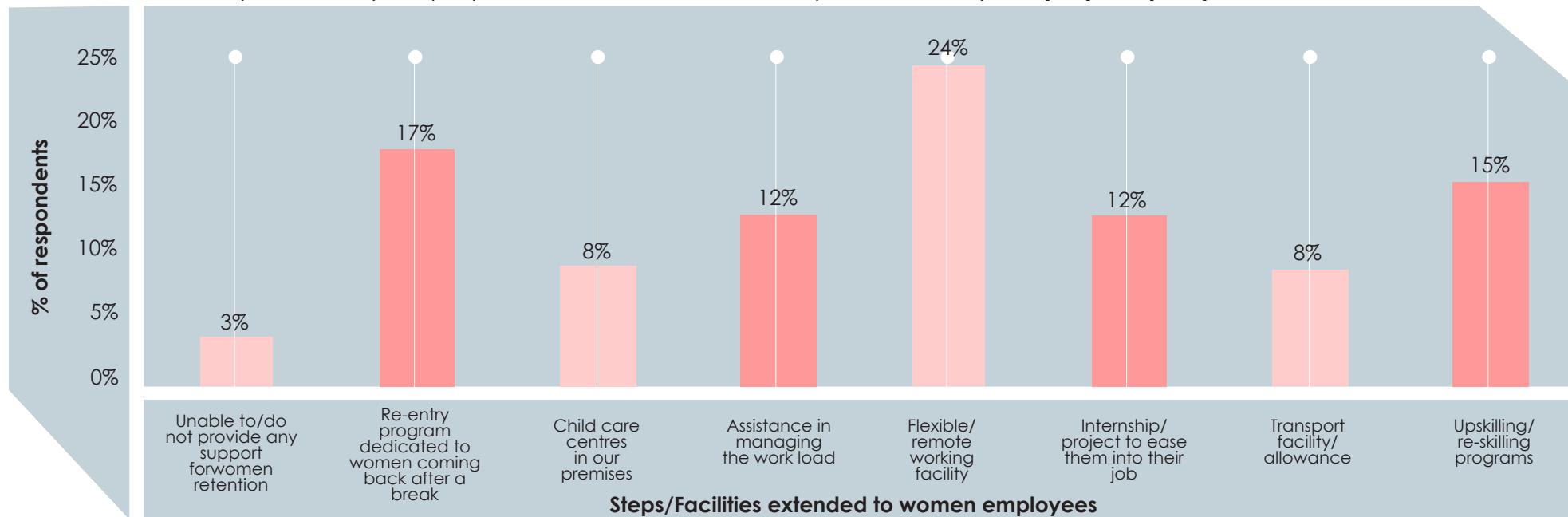
Retention of Women post Maternity – steps taken

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Post-maternity challenges highlighted by women

Demoted/ Salary has been reduced – 30%	Facing resistance/ lack of support from my family – 25%	Access to Childcare – 20%	Travel/ Commute is a serious problem for me – 19%	Unable to work for long periods, night shift etc. – 17%	Not provided challenging work/ responsibilities – 12%
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Steps taken by employers for retention of women post maternity- Employer's perspective



A dissonance between women's expectations and retention measures by employers also contributes to the increase in post maternity attrition. For instance, lack of pay parity –the topmost concern for women –does not seem to warrant employer attention.

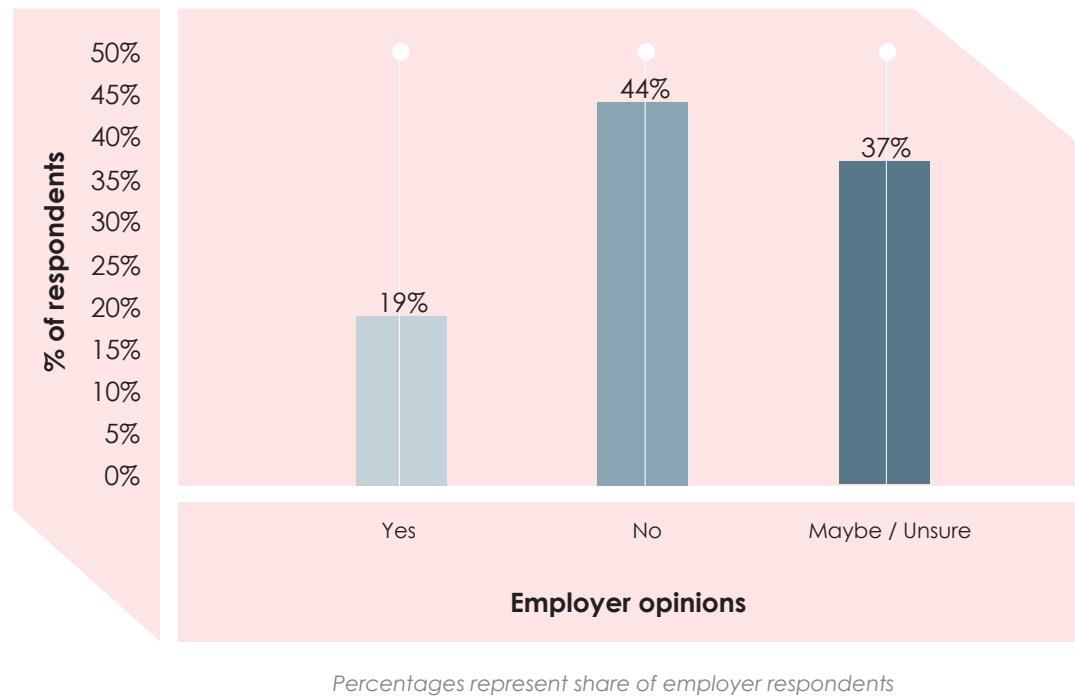
Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Effect on Post-Maternity Attrition

Are paternity leaves a solution?

Do you feel providing paternity leaves in your organization will prevent/reduce the female attrition caused by maternity?

- Employer's perspective



Employers are not very excited about paternity leaves. Nearly half of all employers surveyed (44%) feel paternity leaves will not reduce maternity induced attrition.

MALE EMPLOYEE OPINION

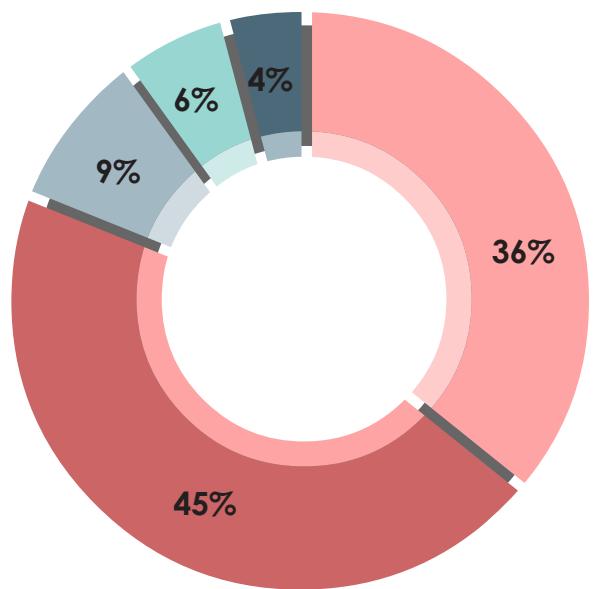
CHILDCARE LEAVE AND
WORKPLACE GENDER BIAS

Male employee opinion

on childcare leave and workplace gender bias

Opinion on the Maternity benefit Amendments Act-

Men's perspective

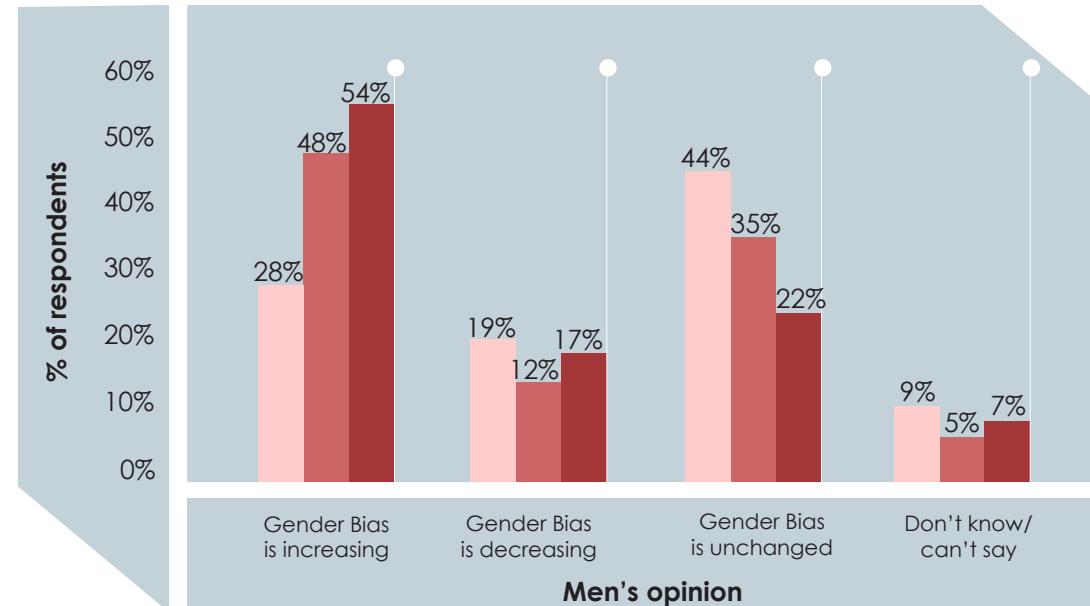


- It is a one sided solution
- Both the parents should get paid leave for childcare
- It should include fathers who adopt
- It may not be useful
- No opinion

30

Opinion on gender bias in the workplace -

Men's perspective



Percentages represent share of male respondents

Nearly half of all male employees surveyed (45%) believe both parents should get paid leave for childcare, since it is a responsibility to be shared equally. Most male employees agree gender bias works against retaining female talent (48%) and career progression (54%).

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

BUSINESS IMPACT

ESTIMATED JOB OPPORTUNITY
GAIN/LOSS FOR WOMEN IN FY 2019-20

Business Impact

Estimated job opportunity gain / loss for women by sector during FY 2019-20

IMPACT	SECTORAL RESPONSE [OVER THE COURSE OF 2019]									
	Aviation	BPO / ITeS	Real Estate	Ecommerce	Education	BFSI	IT	MFG	Retail	Tourism
% women in the sector	31%	40%	14%	35%	27.50%	41%	31%	16.50%	30%	24%
Awareness of relationship between women's participation & productivity/profitability										
Consideration that encourage hiring of women	Moderate Job Opportunity Creation		Significant Job Opportunity Creation		Moderate Job Opportunity Creation		Significant Job Opportunity Creation			
Seen as a sensitive and effective talent acquisition & retention strategy		1%-2.5%		3%-5%		1%-2.5%	3%-5%			
Providing a supportive ecosystem for women employees										
100% employer -funded model	Moderate Job Opportunity Loss		Significant Job Opportunity Loss		Marginal Job Opportunity Loss		Significant Job Opportunity Loss		Significant Job Opportunity Loss	Moderate Job Opportunity Loss
Consideration that deter hiring of women	Productivity Loss	Replacement Cost	Post-maternity issues of: 1. Retention 2. Productivity ramp-up 3. Support infrastructure costs	1%-2.5%	3%-5%	0%-1%		3%-5%	3%-5%	1%-2.5%
Total number of women in the sectors as of 2019	480	3015	9500	160	14500	1270	1170	19202.7	12500	2480
Lower limit: Job Opportunity gain/loss by end FY 2019-20	-4.8	30.1	-2.85	4.8	0	12.7	35	-576	-375	-24.8
Upper limit: Job Opportunity gain/loss by end FY 2019-20	-12	75.3	-4.75	8	-145	31.7	58	-960	-625	-62
Net Job Opportunity Creation / Loss										

All figures are in '000s

BPO/ITeS, BFSI, E-Commerce and IT have stayed true to forecasts of job opportunity gain. On the other hand, Aviation, Tourism and Retail, expected to have a positive impact in the medium term, continue to inflict job opportunity losses. Real estate, Manufacturing and Education have also had a negative impact in FY 2019-20. Overall, the net job opportunity loss is likely to be in the range of 9.1 to 13.6 Lakh for FY 2019-20 (as compared to the 11 –18 lakh job opportunity loss in FY 2018-2019).

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Do provisions encourage or deter hiring of women?

33

Likely scenarios of industry behaviour

Formal Sector

Benevolent

Increase in the intake of female talent to champion diversity



Calculate

Reduced demand for female talent
Corresponding increased demand for lower cost male talent



No change in hiring practice
[male & female talent]

Manipulative

Decrease in upfront salary of female talent aimed at compensating for future expenditure – in addition to the reduced demand for female talent



Restrictive

Restricted women talent with Inadequate job opportunity created due to decrease in business revenue, high operational cost, absence for longer time and difficult for temporary replacement



Gracious

Encourage hiring of women

Considerable

Deter hiring of women

Financial stability, nature of work, workforce size and many other factors make each sector and sections of industry react in varied ways to the maternity benefit act. In general the industry reactions are similar to what it was immediately post amendment, ranging from benevolent to hostile.

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

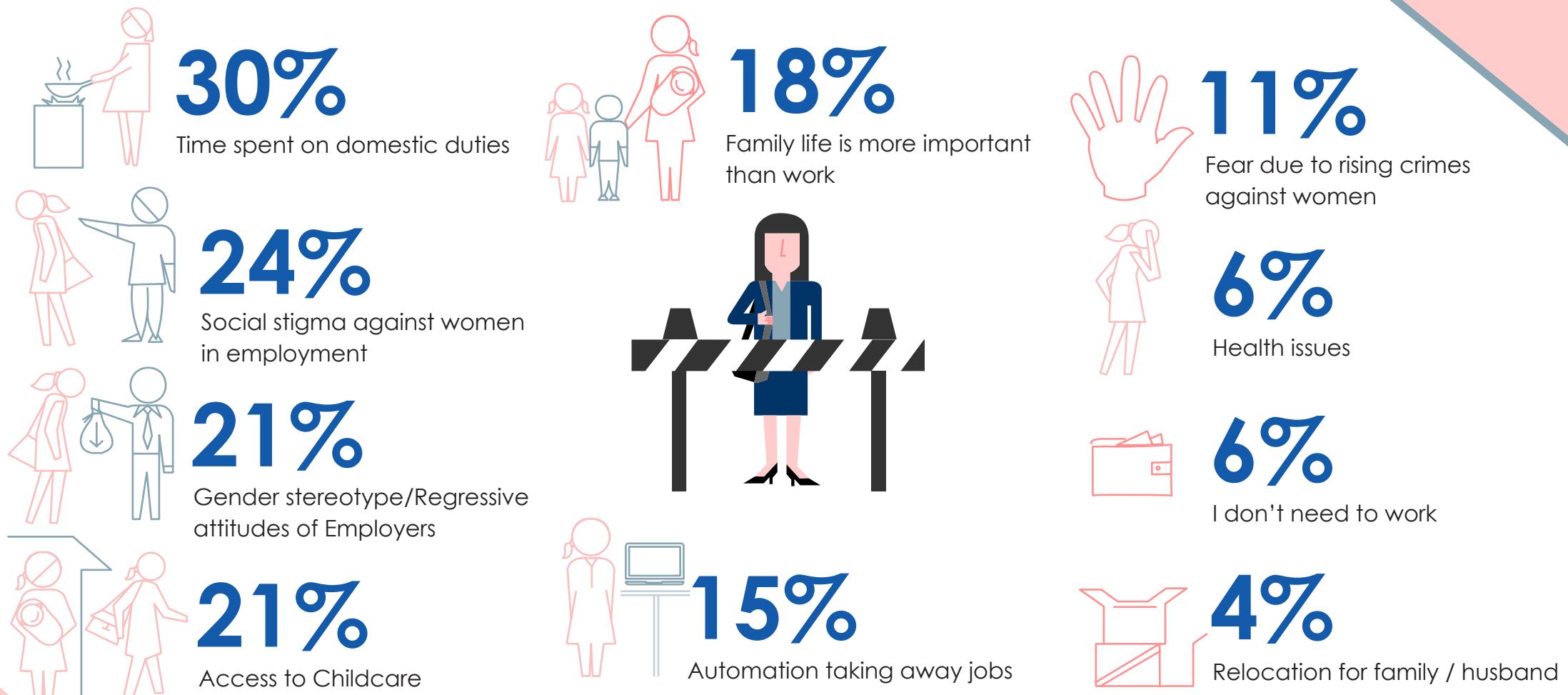
Likely impact on bottom line – by sector

Sector	Tangible Benefits	Intangible Benefits	Impact on bottom line	
			Short term [up to 1 year]	Medium-Term [1 – 4 years]
Aviation	Talent Retention > uninterrupted operations in a dynamic sector; Better Engagement > consistent service quality	Talent Longevity > leadership pipeline; Post-maternity Support > less-stressed workplace	Negative	Mixed
BPO/ ITeS	Talent Acquisition > better workforce scaling; Longer Employee Tenures > lower talent acquisition cost	Workplace Diversity > better execution; Post-maternity Support > better staffing for shifts	Positive	Positive
Real Estate	Diverse Soft Skills > better operational efficiency / effectiveness plus emotional quotient	Talent Attraction > addressing talent deficit in an otherwise gender-biased sector	Negative	Mixed
Ecommerce	Better women's representation > more diverse consumer understanding; Talent Attraction > addressing tech skills deficit (countering bias)	Workplace Diversity > ideation and innovation; Talent Longevity > building leadership pipeline with diverse abilities	Positive	Positive
Education	Talent Retention > better quality of course delivery	Better women's representation > Empathy and care for impressionable children / youth	Mixed	Positive
BFSI	Talent Attraction > meeting talent requirements across multiple functions with diverse skills	Talent Retention > conserving expertise plus nurturing leadership with emotional quotient	Positive	Positive
Information Technology	Talent Attraction > addressing tech skills deficit (countering bias); Workplace Diversity > better problem solving across diverse verticals	Workplace Diversity > ideation and innovation, nurturing leadership against glass ceiling favouring males	Positive	Positive
Manufacturing	Talent Acquisition > addressing talent deficit by countering gender bias	Skill Diversity > Heterogeneity of (soft) skills in a diversity-poor sector	Mixed	Mixed
Retail	Talent Acquisition > better workforce scaling; Better Engagement > more productive workforce	Talent Longevity > developing / conserving consumer insights with different perspectives	Negative	Mixed
Tourism	Talent Longevity > better delivery effectiveness	Post-maternity Support > smoother, uninterrupted operations in a dynamic sector	Negative	Mixed

Businesses expect benefits of the act to kick in only in the long term, and this is likely to result in continued negative short term impact [up to 1 year]. The medium term [1 – 4 years] impact is likely to be positive for 5 sectors and mixed or negative for the rest.

ANNEXURE

Obstacles for women's career aspirations



Obstacles to have a successful career- Women's perspective

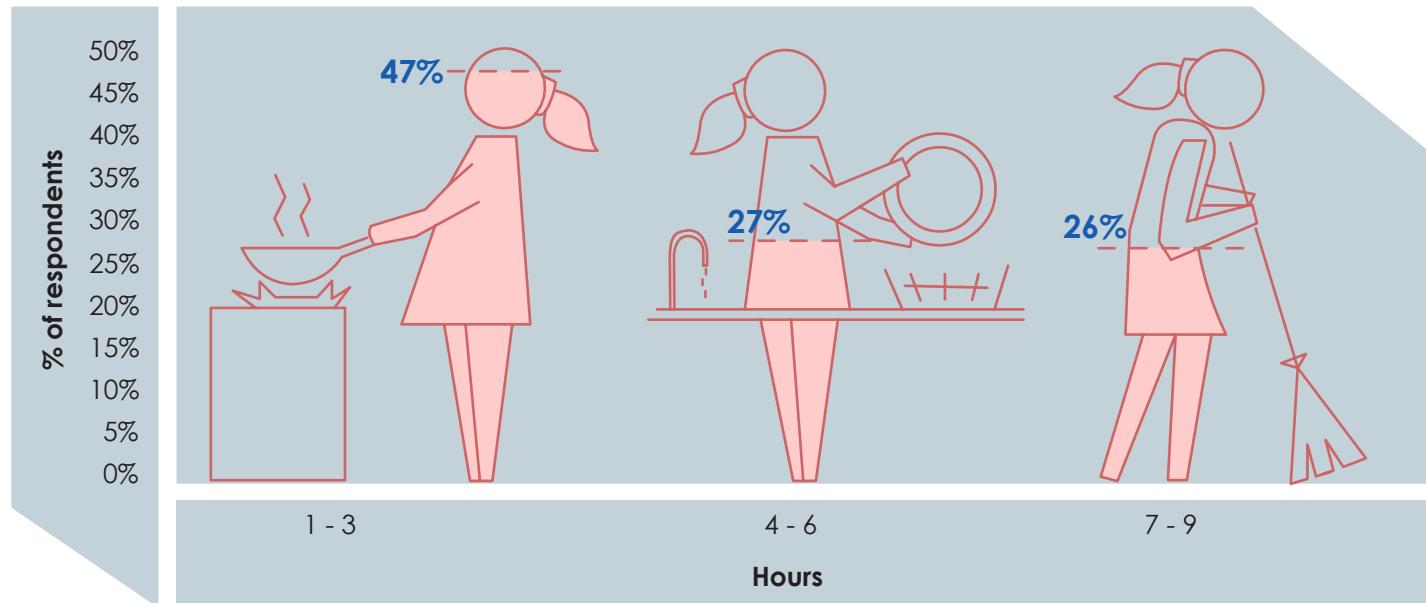
Percentages indicate priority of women respondents

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

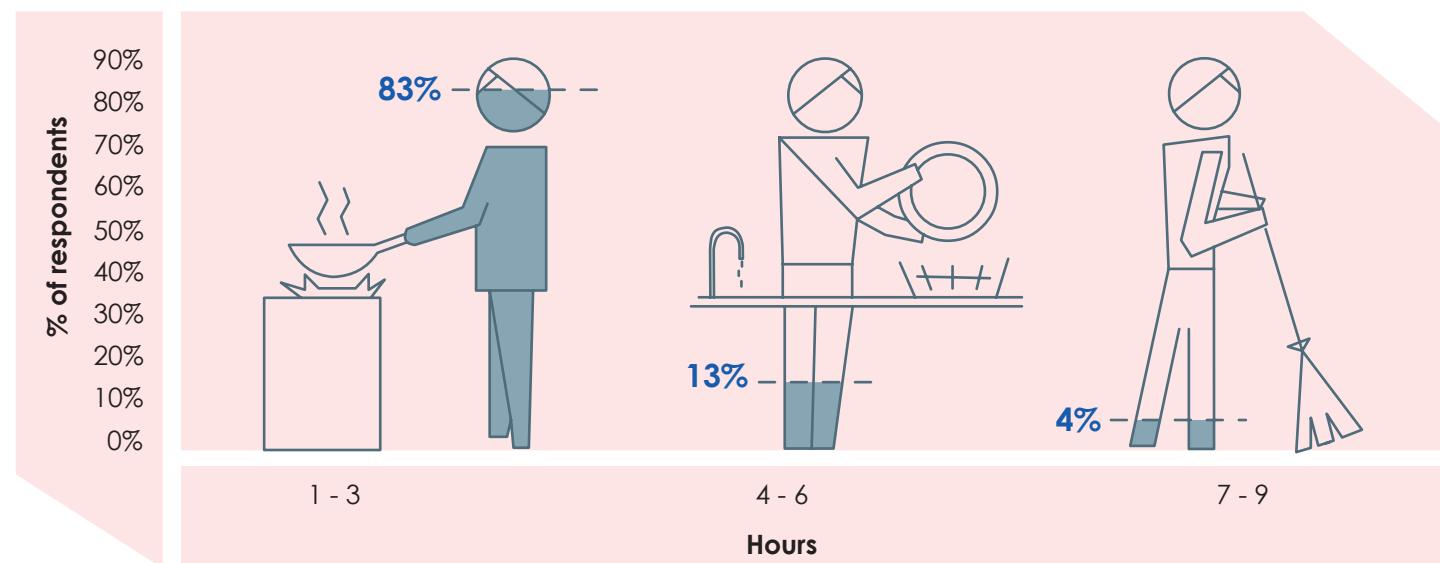
Obstacles for women's career aspirations

Hours spent by women in household work –

Women's perspective



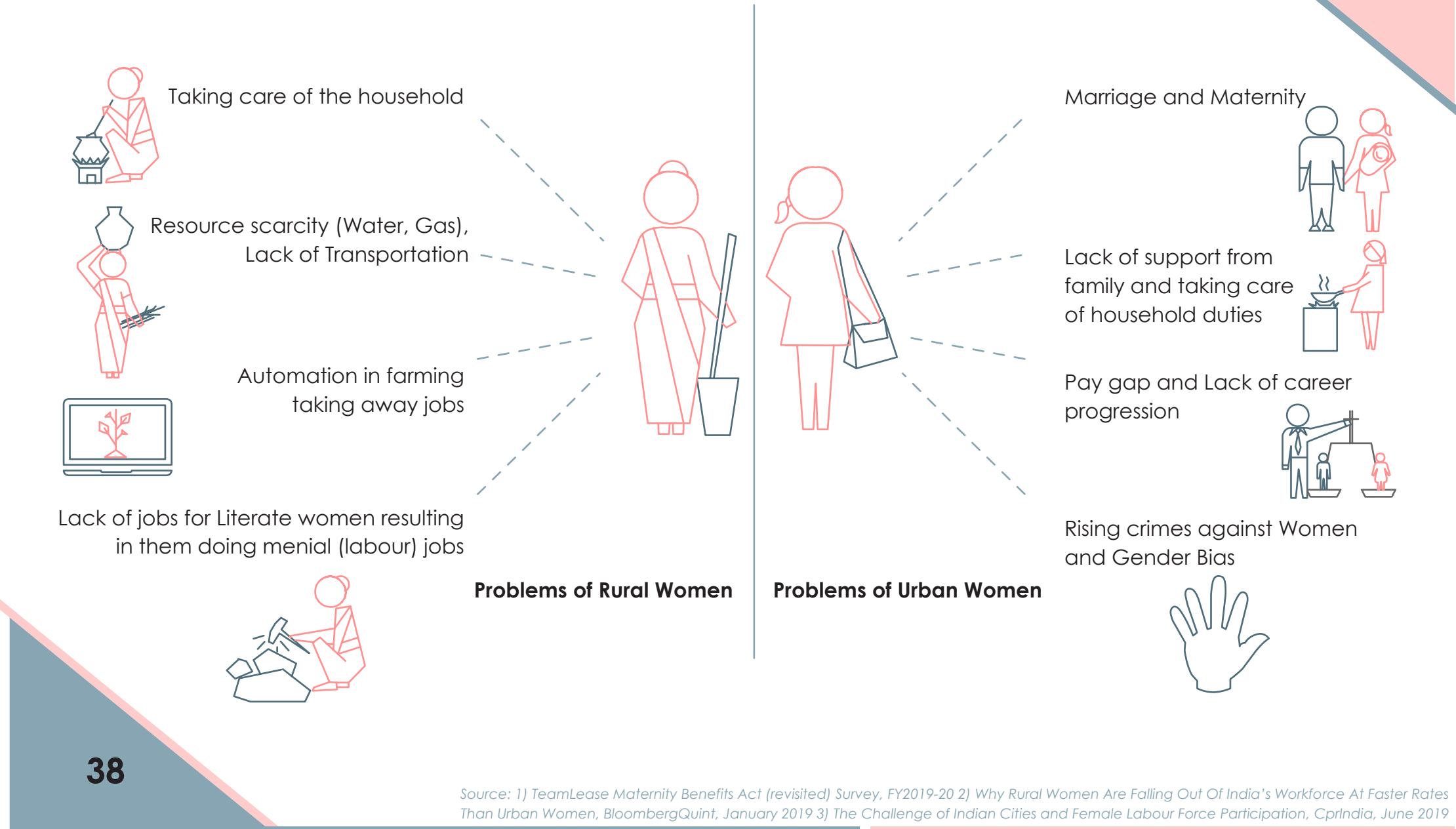
Hours men should spend helping in household work – Women's perspective



Percentages indicate priority of women respondents

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Problems of Rural and Urban Women



Cost per retention of women employee

Management Level	Salary (p.a.)	6 months paid leave (+ 2 months accumulated leave)	Paid Liability (Leave and Benefits)	Rehiring Budget (15%)	Cost of Post-maternity Employee Retention
	A	B = A x 8/12	C = B + 75,000	D = A x 15%	E = C + D
Large, Multinational organization [INR 25,000 crore + in annual [revenue]]					
Junior					
Junior	4,50,000	3,00,000	3,60,000	67,500	4,27,500
Middle	10,00,000	6,66,667	7,26,667	1,50,000	8,76,667
Senior	25,00,000	16,66,667	17,26,667	3,75,000	21,01,667
Medium sized organization [INR 1,000 crore – INR 5,000 in annual revenue]					
Junior	2,50,000	1,66,667	2,26,667	30,000	2,56,667
Middle	6,50,000	4,33,333	4,93,333	97,500	5,90,833
Senior	16,00,000	10,66,667	11,26,667	2,40,000	13,66,667
Experience Level	Salary (p.a.)	6 months paid leave (+ 2 months accumulated leave)	Paid Liability (Leave and Benefits)	Rehiring Budget (10%)	Cost of Post-maternity Employee Retention
	A	B = A x 8/12	C = B + 75,000	D = A x 10%	E = C + D
Blue Collar workforce [applicable to all women employed in factories, mines and shops or commercial establishments with 10 or more employees]					
0 - 3 years	1,20,000	80,000	1,30,000	12,000	1,42,000
3 - 8 years	2,60,000	1,73,333	2,23,333	26,000	2,49,333
8+ years	5,00,000	3,33,333	3,83,333	50,000	4,33,333

All figures are INR

Cost of Post-maternity Employee Retention = Paid Liability (Leave and Benefits) + Rehiring Budget

Post-maternity retention could cost 84%-102% of the annual salary in case of white collar employees, and up to 118% of annual salary in case of blue collar employees. The retention cost has gone up by 4% to 12% for white collar employees and come down by 17% for Blue collar employees when compared to retention cost in FY 2018-19.

Source: TeamLease Maternity Benefits Act (revised) Survey, FY2019-20

Female LFPR across States 2018-19

State	LFPR (2018-19)
Andhra Pradesh	45.1%
Arunachal Pradesh	17.4%
Assam	13.6%
Bihar	4.5%
Chhattisgarh	51.7%
Delhi	19.7%
Goa	35.6%
Gujarat	23.5%
Haryana	17.1%
Himachal Pradesh	64.1%
Jammu and Kashmir	36.3%
Jharkhand	22.7%
Karnataka	28.2%
Kerala	35.2%
Madhya Pradesh	29.8%

State	LFPR (2018-19)
Maharashtra	35.1%
Manipur	27.7%
Meghalaya	53.1%
Mizoram	30.9%
Nagaland	22.6%
Odisha	27.2%
Punjab	21.1%
Rajasthan	34.1%
Sikkim	52.7%
Tamil Nadu	40.2%
Telangana	41.5%
Tripura	18.5%
Uttar Pradesh	14.1%
Uttarakhand	21.6%
West Bengal	23.9%

Of the 28 states and 2 union territories, 13 stayed true to their forecasts and 17 bucked the forecasts made for medium term. Of the 10 states which were expected to show a negative outlook over medium term, 6 states and 2 union territories have posted a higher LFPR in fy 18-19 when compared to fy 17-18. On the other hand, of the 20 states that were predicted to have moderate to high positive outlook, 9 states ended up posting a lower LFPR in fy 18-19 than in fy 17-18. Himachal Pradesh has the highest LFPR of 64.1% and Bihar has the lowest LFPR of 4.5%.

Sample Design for the Dip-stick survey



Sample Size (Total Respondents):
337 Employers
614 Employees



■ Female ■ Male

Research Methodology

Overview of Research Methodology:

- Workforce and sector job statistics: Secondary research / literature review
- Post-Maternity Attrition, Industry reaction and Job Opportunity Creation / Loss likelihoods
 - Dip-stick surveys with **337 employers** representing the 10 sectors included in the study
 - Dip-stick surveys with **614 employees** representing the 10 sectors across male and female category included in the study
- Impact of the Maternity Act (Net job opportunity creation / Loss and industry behavior)
 - Valuvox analysis of sector and employment data

Dip-stick survey methodology
[carried out during the month of June and July, 2020]:

- 10 question survey, with objective type, multiple choice, responses
- Survey administered on a sample size of **337 employers** and **614 employees**
- Results tabulated and inferences drawn on the basis of the above responses

Methodology for the Computation of the “Impact on Employment”

Computation methodology for “Job opportunity creation and loss by sector”:

- The total number of women in each sector, as of 2019, was arrived at based on the total employment and the percentage of women in employment for each sector, as of 2019 [via secondary research].
- The effects of maternity leaves on business performance, criticality of continuous operations, cost of maternity benefits, and the incremental job creation / loss were assessed for each sector.
- Employer surveys [primary research] captured the magnitude of job opportunity creation / loss for each sector. The three categories the magnitudes are bucketed in (with lower and upper limits for each category) -
 - Marginal job opportunity creation / loss: 0% - 1%
 - Moderate job opportunity creation / loss: 1% - 2.5%
 - Significant job opportunity creation / loss: 3% - 5%
- The job opportunity creation / job opportunity loss values for each sector was then computed by multiplying the total number of women in each sector by the respective proportion of job opportunity creation / job opportunity loss as per the category each sector belonged to.
- The lower and upper limits of job opportunity creation or loss are stated in the two bottom rows of the table.

Categorization of industry behaviour into likely scenarios for “Do provisions encourage or deter hiring of women?”:

- Likely scenarios of industry behavior were mapped based on the analysis of dip-stick survey responses.
- Survey administration on 337 employers involved soliciting probable scenarios of behavior, by their own and by other businesses, as reaction to the MB Act Amendment.
- Responses were analyzed and different categories of businesses were placed within the probable scenarios of behavior they were likely to be in.

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Timelines:

- Short Term: up to 1 year
- Medium Term: 1 – 4 years

Organized Sector:

- Comprises of businesses that are systematically run and compliant with government regulations pertaining to land, labour, machinery, investments and taxation.

Unorganized Sector:

- Comprises of businesses that are run without due registration / recognition by the government and are generally non-compliant with regulations pertaining to one or more of the following – land, labour, machinery, investments and taxation.



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