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### INTRODUCTION

#### **BACKGROUND**

Childcare service benefit at the workplace is indispensable for parents—mainly working mothers—to continue going to their work and secure enough financial income for their families. Unsurprisingly, demand for childcare services is growing worldwide, as women are increasingly entering and staying in the workforce out of choice and necessity. However, millions of working women worldwide do not have access to affordable childcare options aligned with their needs, values, income status, and work hours.

According to CAPMAS, the percentage of working women is 20.7% of the total of the workforce while working men is 79.3%. In addition, the percentage of women participation in economic activities is 18.3%, while men participation is 67.67% (CAPMAS, 2019). These statistics reflect the competitive and stressful environment that Egyptian mothers face at work combined with the social pressure to be perfect mothers and wives.

Despite noticeable economic growth and increased attention by the political leadership to issues related to women empowerment, there are still several factors that negatively affect the full involvement of women in economic activities. These factors include:

#### **Social Barriers:**

- Childcare and household responsibilities: The social norms oblige women to take the most significant part of the childcare and household responsibilities. These responsibilities prevent women, especially mothers, from active participation in economic, social, and even political activities and opportunities.
- Many people are not encouraging women's employment. This behavior is most common in rural areas. However, the same behavior is not uncommon in big urban cities, but to a lesser extent. The supporters of this behavior think that being a housewife is just as fulfilling as working for pay.

#### **Economic Conditions:**

- The decline in public-sector jobs and the limited growth of formal private-sector jobs to offset that decline make access to formal jobs even harder for women.
- A persistently high wage gap compared with men in the private sector.
- Lack of friendly working conditions that support women's advancement and provide all necessary measures for protection from all kinds of harassment, discrimination, and workplace hazards and risks.

Egypt's Labor Law guarantees maternity leave and two 30-minutes daily break periods for all nursing mothers. Firms also are required by law to provide a nursery if they have more than 100 female employees. However, studies show that a significant number of organizations that are subjected to nurseries requirements of the labor law do not provide this service for their employees. As a result, a high share of women workers has no nurseries at work; it appears that the legislation on the matter is not fully enforced.

Nevertheless, an unlimited number of businesses realized the great importance of providing a supportive working environment for their employees. Therefore, any investment in facilities or benefits that enhance employees' satisfaction and minimize staff turnover would be a significant investment in the future. Among these investments, childcare provision came as a top priority.

The field interviews with different sectors, including; ready-garments, food, pharmaceuticals, glass & crystals, leather, and construction materials, showed great attention to childcare benefit provision, only when female workers are the best choice in terms of cost, precision, quality, keenness, and continuity. This observation was extensively applicable in almost all ready-garments companies, some food establishments, and innovative industries like glass and crystals and leather fabrications. However, heavy industries usually do not hire many women, and female workers represent less than 5% of all workforce.

Ready-garment businesses usually employ the most significant amount of women, numerically. Typically, the women in this sector represent more than 50% and reach up to 80%, in many cases. The production process in this industry requires intensive manual labor work that demands highly skilled workers.

Contrary to other sectors such as food, chemicals, engineering, etc., high-tech machinery could not replace human workers completely. This is because there are so many details and tricks in work that require intensive and delicate hand-work. The same would be applied in some segments or specific processes in the other sectors, but not to the same extent as ready-garments. There are 65,770 registered companies in the ready-garments sector (CAPMAS, 2018).

Another common practice between most business organizations is the essential commitment to policies and legislative rules related to women's employment. For instance, all companies allow a 1-hour daily break for nursing mothers. However, in some cases, women do not benefit from this privilege due to logistical issues. For example, if a woman wanted to take this one hour and leave early, they would arrange their transportation and pay for it. On the other hand, when the nursery exists inside the workplace or nearby, the women can go for breastfeeding on a regular schedule during the day. Regarding maternity leave, almost all companies provide this benefit, and in some cases, they offer more privileges and longer leave time for their staff.

### **RATIONALE AND OBJECTIVE OF CASE STUDIES**

The documentation of these case studies is part of a more extensive research exercise that assesses the impact of childcare services on business performance and developing a number of case studies that identify elements of the successful model). These models would provide options for implementation by Egyptian enterprises and suggest innovative mechanisms to promote and support the establishment of nurseries and/or alternative solutions to solve employees' childcare challenges.

The research processes have encountered several companies that made considerable efforts and changes to their childcare benefits to improve the working environment and mitigate the negative economic and operational impacts of staff turnover, especially women workers. During the inception and preliminary interviews with business owners, representatives, and human resources managers, many companies reported a very high turnover rate between 30% and 60%. The main reasons behind this high rate as reported by businesses could be summarized in the following order, from highest to lowest:

- 1. Salary (both male and female workers)
- 2. Childcare issues (mainly female workers)
- 3. Long-distance between home and work location (mainly female workers)

However, many businesses reported tremendous improvement in the turnover rate, especially among women, when offering childcare benefits. The turnover rate dropped from 30% - 60% down to less than 10%. Thus, the childcare benefits alone contributed to a great extent to mitigate the other two reasons. In addition, many female workers reported their high satisfaction and loyalty to the company because of the childcare benefit and the burden that just took away. They considered the childcare benefits a great offer that compensates the salary and long commute to the work locations.

These case studies aim at collecting and documenting these experiences from different companies and identify elements of success, challenges, and approaches in dealing with this issue. The case studies would also discuss the different models adopted by different businesses and identify the financial costs, administrative procedures, internal management of childcare provision, impact on business's performance, and staff satisfaction.

### **CASE 1: BTM**



### **COMPANY PROFILE**

Bishara Textile and Garment Manufacturing company (BTM) is a leading group in the Egyptian textile and garment industry. It was established in 1961 at the Zeitoun Textile Hand Printing Company. Mr. Bishara, who founded the group, is a prominent Egyptian businessman and a member of Egyptian American Presidential Council, Export Supreme Council, and a Shura Council member. Production of menswear began in 1981 at Bishara Textile and Garment Manufacturing Company.

The brand of Marie Louis was added to the group in 1988 and considered the first Egyptian brand with collections regularly premiering at Paris Fashion Week. Marie Louis is undeniably the crème de la crème of the fashion industry in Egypt and a household brand name. BTM started as a dyeing and printing house that has now evolved into a vertically integrated company specialized in producing high-quality textiles and readymade garments. The company is certified within the qualified industrial zones (QIZ), which allows its products to enter the US market Duty-free.

BTM is an entirely vertical operation from fabric to clothing manufacturing located in the 10<sup>th</sup> of Ramadan Industrial city of Egypt. Privately owned and family-operated for three generations. BTM greatly values its highly-skilled, dedicated staff and takes pride in the quality of textiles and garments they have helped us manufacture for over 40 years.

The total square area of the premises is approximately 323,000 sq ft, of which 86,100 sq ft for the weaving, dyeing, printing, and finishing factory and 237,100 sq ft for the sewing factory. The vertical integration allows BTM to produce woven fabrics, ranging from high-quality worsted wool, carded wool, and wool blends to delicate woven Egyptian cotton fabrics according to the customers' needs. That is in addition to its primary specialization in tailoring men's and ladies' war, ranging from tailored suits to shirts, trousers, etc.



### **CHILDCARE BENEFIT PROVISION (ADOPTED FOR 6 YEARS)**

BTM management, for a long time, had been thinking and developing a package of incentives and benefits to reduce and eventually eradicate the adverse effects of the improper working environment and lack of suitable staff benefits scheme. These effects had a severe reflection on the business in different ways included;

- Struggling to fill their vacancies and find the right people for their roles.
- High turnover among workers with a much higher rate among female workers; exceeded 60% in some periods.
- High absence and sick leave rates affected the production schedule and delivery time.
- Low productivity rates.

Since most of the workforce is female workers, the company employs more than 3,000 workers, with female workers representing more than 60%, the focus of the management was directed towards a solution that makes female workers becoming more bonded and loyal to the company and at the same time more satisfied. This direction was greatly supported by Ms. Marie Bishara (Vice-Chairman), who had created this strategic view and insights to deal with the root causes of the problem.



I had been working in several places before BTM. All of them were informal entities with no contracts, insurance or stable conditions. I used to stay for a few weeks in each job. I accepted the circumstances because I wanted to avoid any commitment and to have flexible working hours to take care of my little kids.

Finally, I reached BTM and the first thing that attracted me to join them was the nursery option. I take my children with me everyday to work and I leave them with the nursery supervisor who takes them with other kids to the nursery. I feel much more comfortable knowing that my kids are safe and secured. They learn new things everyday and their skills and behaviors are getting better.

Ms. Hanan (Quality Inspector)

BTM, over the years and after so many trials and models, has established a win-win model and successful operation of childcare benefits for its female workers. The company's management had finally found a sustainable solution for childcare benefit provision. The company employs more than 1,800 female workers, about 50% of them are married, with an average of 2 children per worker. Doing simple math, considering that not all female workers would bring their kids to the nursery and that some of them would prefer to leave their children at home with their relatives, they would need a childcare facility to accommodate between 700 - 1200 children at different ages. But, of course, this number is a real challenge itself.

A recent study by UNICEF and the Ministry of Social Solidarity (MOSS) revealed that the percentage of mega nurseries with a capacity of 500 children and above represent only 2% of the overall nurseries in Egypt. This large projected number reflects the magnitude of the challenge faced by BTM management to think of an applicable and feasible solution. First, BTM management studied several models to adopt a feasible childcare benefit provision. Then, they decided to build their decision based on two factors; 1) financial cost and 2) minimal responsibilities (administrative, operational, registration, inspection, etc.). The main options they discussed and studied are summarized in the following sections.

### 1. Workplace-Based Nursery

The first option that came to their mind was to establish a nursery facility in the factory premises. However, the current factory buildings do not have enough space to establish a workplace-based nursery that accommodates this large number of children.

Alternatively, they thought of starting a new building for the nursery on an extended piece of land next to the current factory. This land was dedicated to the new extensions of production lines. However, they found the cost of construction, furnishing, and equipment would be too much and couldn't be affordable (at that time, it was estimated to be EGP 1.2 million). In addition, some other factors did not support this option, such as;

- Registration and license procedures
- Selection, hiring, and managing nursery staff
- Risks and responsibilities associated with hosting children
- Management and follow up on nursery operations
- Periodical inspection by MOSS and long, complicated procedures

In addition, the safety issues related to children and their accommodation and hosting would be very risky and challenging, especially within such an industrial environment and lack of solid experience in childcare management.

### 2. Childcare Compensation / Vouchers

The childcare compensation/vouchers to pay for external nurseries were the other presented option for childcare benefit provision. BTM management conducted a quick survey to estimate the monthly cost in an average nursery per one child. The model suggested a fixed amount of money to be paid for female workers, either with the monthly salary or paid directly to the nursery. The estimated cost was not encouraging. The estimation suggested that the average annual allowance would range from EGP1.26 to EGP2.16 million (to cover 700-1200 children with an average allowance of EGP150).

# BTM found that the value of the annual allowance would represent a substantial financial burden, considering the following factors:

- The salary scale of this company is already much higher than the sector average,
- The instability and fluctuation in the market make this option unsustainable and infeasible in the long term.
- The unforeseen increase in the number of employees and children who would be entitled for this benefit.

### THE SELECTED MODEL

This model would be called (Non-financial Childcare Benefit Provision). The model entails the following main elements:

- 1. Company to select, assess, and make a deal with childcare service providers
- 2. Company to inspect, monitor, and follow up on the service provider
- 3. Company to offer free transportation (nursery-workplace-employees homes) as part of the free transportation benefit that already offered to all employees.
- 4. Employees pay total childcare fees for their children
- 5. Support the most vulnerable cases in payment of nursery's fees

BTM management found and agreed on a solution that does not add any significant financial burden to the company budget. At the same time, it provides its female workers with sustainable childcare benefit provision at a reasonable cost. BTM made a long-term agreement with one of the nurseries located few miles away from the factory. The deal with this nursery granted BTM female staff an excellent discount exceeded 50% to reduce the fees from EGP300 to EGP150 per child. The deal with the nursery also stated that BTM has the right to monitor, follow up and inspect the nursery to ensure its cleanliness, organization, service quality, and staff performance.

### BTM will not make any financial contribution, but its role will be limited to:

- Maintaining the affordable deal and reasonable costs with the nursery to accommodate the children of their female workers. The female workers have the right to accommodate any number of their children without any limitations.
- Conduct all necessary inspection to ensure high-quality services
- Secure transportation of mothers and children from home to factory and nursery.
- Provide all necessary support to enhance the educational activities by providing essential and necessary tools, materials, infrastructure, and educational aids.
- Provide financial assistance for the most vulnerable cases.

### Advantages, Disadvantages and Business Impacts of The Model

Advantages	Disadvantages	Business Impacts
<ul> <li>No financial or administrative burdens on the company.</li> <li>Safer environment for kids.</li> <li>Lower cost for employees</li> <li>Unlimited number of children per employee.</li> <li>Secured and supervised transportation to and from the nursery house.</li> </ul>	<ul> <li>Lower satisfaction level as employees feel that they pay for the benefit.</li> <li>The fees compelled some female workers with a large number of kids to leave them at home.</li> </ul>	<ul> <li>Remarkable improvement in turnover rate. The rate decreased from 60% to less than 10%.</li> <li>Significant decrease of more than 35% in absence, sick leaves, and leave early permissions.</li> <li>About 15% increase in productivity and 30% decrease in quality errors.</li> </ul>



### **CASE 2: SWISS COTTON**





### **COMPANY PROFILE**

Swiss Cotton Garments Company (SGC) – a Arafa Holding subsidiary - is one of the largest Egyptian exporters of ready-made garments to the USA & Europe, that provides the following products: Trousers & Shorts, Swimwear & Wetsuits. The facility is located in Beni Suef industrial complex, which occupies 25,000 square meters and employs almost 1,600 skilled workers with 70% women. In addition, the company produces affordable casual woven bottoms.

Arafa Holding's textile, apparel & tailoring facilities are located at Egypt's 10<sup>th</sup> of Ramadan, 6<sup>th</sup> October, and Beni Suef and produce a variety of menswear products, including suits, shirts, and coats. Arafa employs more than 13,000 people. Arafa Holding is a leading global textiles and apparel manufacturer and retailer based in Egypt, with a network reaching more than 70 countries worldwide.

The group serves a diverse global audience, including top international brands and global retailers. Joint ventures have seen the company gain ownership of prestigious leading brands and partner with leading fashion houses. The company's business activities are fully integrated, covering the luxury wear, formal wear, and casual wear markets, as well as the full value chain from textiles to apparel & tailoring to retail & distribution. This cross-vertical integration provides a key buffer against economic downturns and political upheavals in key markets while at the same time positioning the company for organic growth.



### **CHILDCARE BENEFIT PROVISION (ADOPTED FOR 2 YEARS)**

SCG location in Beni Suef and its demographic characteristics imposed particular arrangements regarding the hiring and maintaining of female workers. Beni Suef is one of the upper Egypt governorates, in which the cultural norms are against women's employment. Arafa Holding decided to establish their SCG facilities in Beni Suef because of the lower costs of land acquisition and relatively low labor cost than other industrial zones in big cities like 6<sup>th</sup> October and 10<sup>th</sup> Ramadan. This business unit intended to produce affordable products with high quality, and savings in initial investments and operational costs were carefully considered from the beginning.

The discussions with the company team revealed some degree of difficulty in hiring female workers from nearby cities and villages. Obviously, the female workers' availability and readiness to work in a manufacturing facility were not carefully considered in the first place. As a result, HR had been forced to enlarge the circle of selection and included other cities and villages, even from neighboring governorates like Fayoum and Giza. This diversity of locations had added more complexity and financial costs to offer transportation for all workers from such different areas.

To increase the effectiveness of headhunting activities by HR, the company decided to adopt and offer a childcare benefit provision for all female workers. Therefore, the first and most sustainable model from their viewpoint is the workplace-based nursery. SCG is part of Arafa Holding, which operates another company in 10<sup>th</sup> Ramadan City called Swiss Garments Company (SGC) which adopt the same model (the following case study in this report) for several years and demonstrated tremendous success on business and employees levels. However, the biggest challenge to go for this plan was the lack of HR and admin staff experience in childcare management.

Despite the fact that a sister company operates a childcare facility, obviously, this group's companies are managed separately. As a result, the company management decided to sub-contract childcare services until they study and prepare for their own nursery house.



"I see childcare as a matter of significant importance to employers who wish to retain staff, particularly at this location in Beni suef, where we have a lot of talented workforce leaving the City, particularly when they have kids and look for better work environment.

Mr. Abdel Naser (HR manager)

HR and admin staff made a long and careful scanning of all available nurseries around the industrial zone of Beni Suef. Surprisingly, they could not find a nursery with the required quality or capacity levels, except for one that needed a lot of support to be upgraded to the required level. Therefore, the company supported that nursery and finally was able to receive the children of their female staff members. The supporting package included; renovation of classrooms, toilets, and playgrounds and providing educational aids such as; toys, whiteboards, colored papers, stickers, and sound equipment. The company made the deal and paid all fees. In addition, the company fleet was responsible for the transportation of female workers from homes in the morning to the factory and taking the children to childcare, then taking the children from nursery afternoon and deliver them to their mothers at the factory gate. This model continued till the lockdown decision due to COVID-19. After that, almost all nurseries were closed, and most female workers started to leave the company to take care of their kids. The company management studies several options to quickly mitigate the situation and convince the female workers to get back to work. They did another survey and found that many micro nurseries in small cities and villages still open their doors and receive children.

SCG management finally decided to adopt a childcare allowance temporarily. They conducted a quick survey in the main cities and villages where most of the female workers coming from and developed a simple plan for childcare allowance as follows:

- All female workers at any level are entitled to a childcare allowance regardless of the length of service, job type, home location, etc.
- The company will pay an amount of EGP 150 monthly with the salary for each child with a maximum of two children per female worker.
- The selection and agreement with childcare service providers will be the responsibility of female workers based on their location, satisfaction, other children, etc. The company will not be involved in any way in the selection of follow-up.
- Each female worker who benefited from this childcare allowance must submit a payment document to ensure that they send their kids to the nursery.

This option had been received with great appreciation from female workers. They had started immediately to find a proper nursery house for their kids. As a result, almost 90% of female workers who left the company have returned to their work. About 350 female workers and 420 children are benefiting from this childcare allowance. The positive side of this experience is that they have realized the critical importance of childcare benefits for female staff members. In addition, they are now thinking much more seriously about the workplace-based nursery. HR manager asked the team during the visit to find any way to help them to start this project. The company has a large piece of land in the industrial zone and willing to establish a professional childcare facility.

The other good result is that they are willing to receive children from other companies from neighboring regions. On the other hand, the industrial zone in Beni Suef deprived of many services, especially childcare services and nurseries.

### Advantages, Disadvantages and Business Impacts of The Childcare Allowance Model

Advantages	Disadvantages	Business Impacts
<ul> <li>Much less responsibility on the company management.</li> <li>No administrative burden</li> <li>High employee satisfaction.</li> </ul>	<ul> <li>Financial burden</li> <li>Lower control on the attendance of the employees.</li> <li>Frequent absence due to nurseries' operations.</li> </ul>	<ul> <li>Full workforce recovery with more than 90% staff return.</li> <li>Good improvement in absence, sick leaves, and leave early per- missions (exceeded 25%).</li> </ul>



### **CASE 3: SWISS GARMENTS**





### **COMPANY PROFILE**

Swiss Garments Company (SGC) – is Arafa Holding's first garment-making factory established in 1984; an expert in the world of apparel operating for more than 30 years and specialized in formal menswear manufacturing. The factory is located in the 10<sup>th</sup> of Ramadan city over 30,000 square meters and employs almost 2,600 skilled workers. The company's products include full-canvas, half-canvas, and fused men's suits, as well as high-quality, elegant men's shirts. The company accounts for 10% of Egypt's total garments exports, with annual revenue exceeds 100 million Egyptian pounds.



### **CHILDCARE BENEFIT PROVISION (ADOPTED FOR 14 YEARS)**

SGC is considered one of the first ready-garments companies that established a childcare facility in their factory. The nursery is located in an extension to the main factory premises and accommodates 400 – 600 children. The nursery is providing complete educational, entertainment, health, food, and daycare services.

The company management adopted this model despite its higher costs in terms of financial investment and administrative and operational burden for several reasons. The first and most important one was to satisfy the CSR and other work environment standards required by their global partners (franchisees, importers, auditors, etc.). Also, the number of workers and the expected number of children to be hosted made it financially reasonable in the long term.

The educational services provided by the nursery including a tailored-made curriculum that offers the basics of the Arabic language, religious studies, cognitive skills, etc. There also sports activities, games, entertainment, etc. The nursery offers hot meals for all children according to a specific diet schedule for each age group. They also make regular medical checks on the children and provide primary medical care when needed. The company provides childcare benefits for all female workers without any fees or deduction of their salaries. In addition, the company had established a flexible childcare provision. The primary benefit provision is the workplace-based nursery which is opened for any staff children aged from 6 months till 4 years. The workers with kids less than 6 months are allowed to take extended partially-paid maternity leave. They also offer flex-time to help them feed and take care of their children.

The company hires workers from the following governorates; Cairo, Sharkia, Qalyoubaia, Minya, Fayoum, Beni Suef, and Ismailia. In addition, the company offers complete transportation services from home to factory and return. Due to this extended geographical location of workers' homes and the difficulties facing some mothers to bring their kids to the work location, the company offers another childcare allowance option. Although the childcare benefits are limited to a maximum of two children per worker, the company assesses the social circumstances. They would make some exceptions in case of high vulnerable cases.

The existence of childcare benefit provision has primarily contributed to the high staff retention rate, low turnover rate, and excellent absence rates among female workers. As a result, the company is considered as one of the lowest turnover rates in this industry. The company provides these services at their cost – because they believe that the employees who work stress-free are highly motivated and put up their best performances.

When a company offers the facility of childcare, it makes the employee feel that they are valuable assets to the company. They can work without any tension about the children. Since the childcare is in the workplace itself, they can meet their children as and when required. The mothers have the flexibility of continuing with their career and at the same take an active part in the growth of their children. Even with long rides between work locations and many workers' homes, most workers, especially female workers, consider the company the best work opportunity. In addition, the company provides a package of benefits, including; health and social insurance, training, etc.

### Advantages, Disadvantages and Business Impacts of The Model

### **Advantages**

### Fully controlled environment and ensured services quality

- Financially feasible, specifically in the long term.
- Very high satisfaction level of mothers as they need to ensure that their child is taken care of and it gives them easy access to meet them and take care of them.

### Disadvantages

## • Financial burden, specifically the initial investments.

- Management, administrative, and logistical responsibilities.
- Less difference between professional and personal life as some workers tend to stay for longer periods with their kids. In addition, some conflicts may arise between mothers and nursery staff, but this is not often occurred.

### **Business Impacts**

- Insignificant turnover rate.
   One of the best workplaces in this sector (less than 7% turnover rate).
- 50% decrease in absence, sick leaves, and leave early permissions.
- Continuous increase in productivity and quality.
- Improved company image before global partners.



### **CASE 4: ASFOUR CRYSTAL**



### **COMPANY PROFILE**

Asfour Crystal is a world-class leading company in the crystal industry with an excellent production record of premium crystals, elite lighting & decoration products. Since its foundation in 1961, its remarkable crystal production, made of the purest sand grains on Earth, has been recognized worldwide with its absolute purity and everlasting shine.

Asfour Crystal was established in 1961 in Cairo, Egypt, and began with a 2,200 square meter workspace that employed 200 craftsmen and utilized simple, basic production tools. Nowadays, Asfour Crystal had expanded into 5 crystal factories that cover a total build-up area of more than 1.2 million square meters. The factories employ more than 28,000 craftsmen and women, and the company still stands at that status till today.

In 2000, Asfour Crystal launched the Crystal Fashion Components division, producing clear and colored crystals for the fashion industry with all its sectors, including accessories, apparel, jewelry, and decoration. Commitment to top quality and constant novelty for decades has empowered us today to be the world's largest manufacturer and exporter of crystals, having a production capacity of 100+ tons per day and exporting to over 90 countries across the globe. Today, our top designers and craftsmen are fully dedicated to keeping Asfour Crystal, the No. 1 crystal brand worldwide, with endless new products and modern applications that spread over our crystal sparks around the universe.



### **CHILDCARE BENEFIT PROVISION (ADOPTED FOR 8 YEARS)**

Asfour Crystal management realized the critical importance of a healthy work environment and the impact of well-designed human resources policies and benefits schema. As with many other businesses, the benefits were minimal and satisfied the state policies and legislation. The benefits did not satisfy the increased expectations of employees and workers. A few years ago, the new company management started a new approach regarding the workforce and essential benefits. The company's products require highly skilled workers and artisans who possess artistic and technical skills. Unfortunately, the company suffered for an extended period of shortage in their highly-skilled workforce and high turnover rate. In addition, the company became less attractive even to new hires.

Therefore, the new management launched several benefits schemas, including; higher salaries, medical insurance, social insurance, injury insurance, and a better working environment equipped with high-standard safety equipment and facilities. Furthermore, the new management believed that employees are not considered just workers, but they are considered part of the organization. Therefore, the companies that provide such facilities are highly rated and preferred by the employees as they can be near their children. Therefore, they perform better, and this is a win-win situation for the management. In the long run, the company considers this benefit provided to the employees as a business expense. Therefore, it is a deductible expense – this is done to provide an appropriate budget every year.

In the initial stages, it may make losses, but over a period of time, with the contribution of both employee and employer, the break-even can be achieved. The employees initially do not have to bear any cost for the child care. The companies provide all the benefits because they understand that it takes time for them to settle down in the job.

Among these benefits, the company established a fully equipped nursery that accommodates 200 children and extra capacity for extension. In addition, the nursery accepts children of any female workers without any conditions and free of charge. The nursery staffed with professional nursery educators and workers to take care of and educate children. They offer complete education services starting from age 3 years and full nursery service for children aged 3 months to 3 years. The nursery employs a doctor and a nurse to provide complete medical services and check up for all children. In addition, they conduct weight monitoring and follow up on the vaccinations and other medical protocols for children of this age.

The educational services provided by the nursery including a tailored-made curriculum that offers the basics of the Arabic language, religious studies, cognitive skills, etc. There also sports activities, games, entertainment, etc. In addition, the nursery offers hot meals for all children according to a specific diet schedule for each age group. They also make regular medical checks on the children and provide primary medical care when needed. The existence of this nursery contributed to the high staff satisfaction and loyalty.

The company provides these services at their cost – because they believe that the employees who work stress-free are highly motivated and put up their best performances. Therefore, the

company can be rest assured that they shall never have to lose the best employee of theirs. The additional benefit of having childcare at the workplace is that the employee gets the chance to see their children during break hours. It also gives the child a feeling of a close-knit family that may not be possible otherwise.

The interviews with some workers revealed that most female workers reported that it is very hard and challenging to find a good and reliable childcare service. It takes time for the mothers to find a good nursery – they ensure that the child is taken care of properly. But with the introduction of childcare facilities at the workplace, there has been a great difference. Those employees who are provided the facility of childcare at their workplace have always opted to remain with the organization for a longer period of time. According to the interviews and responses from many female workers, most of them have turned down better financial offers – only because the company is not offering a childcare benefit like the one that Asfour Crystal offers.

### Advantages, Disadvantages and Business Impacts of The Model

### Advantages

### Fully controlled environment and ensured services quality

- Financially feasible, specifically in the long term.
- Very high satisfaction level of mothers as they need to ensure that their child is taken care of and it gives them easy access to meet them and take care of them.

#### **Disadvantages**

- Financial burden, specifically the initial investments.
- Management, administrative, and logistical responsibilities.
- Less difference between professional and personal life as some workers tend to stay for longer periods with their kids. In addition, some conflicts may arise between mothers and nursery staff, but this is not often occurred.

#### **Business Impacts**

- Tremendous turnover rate.
   One of the best workplaces in this sector.
- Lower records of the absence, sick leaves, and leave early permissions.
- Continuous increase in productivity and quality.
- Improved company image before global partners.



## CONCLUSION

The childcare benefit provision is an increasingly critical service as female workers struggle with the high cost of nurseries in different cities and governorates.

For women, childcare costs mean that they are often unable to return to work post-childbirth or can only accept working in the informal sector to have more flexible working hours and avoid formal attendance and work schedule policies and instructions.

For business, too, the benefits of a nursery at work are evident as it allows employees to dedicate themselves to working more regularly; the nursery is also a sign that the company cares for its employees, offering them a benefit of true value. However, for most businesses, a nursery at work simply isn't possible or feasible. Therefore, we would also claim that it is not always the best practical solution.

Nevertheless, the option of offering a childcare benefit, whatever the model, has proved a significant impact on both sides; employees and employers. So, the argument is no longer about the importance of childcare benefits. Instead, it is now about how, who, where, and what to offer. For example, employers benefit from having greater staff availability as the barrier to work for employees, specifically female staff, is reduced; it also encourages staff retention and encourages quality newcomers.

There are so many different alternatives to establish a model of childcare benefit provision. The selection and adoption of a specific model largely depend on the situation and circumstances of the business and workers and are affected by several factors such as; business location, business size, number of employees, the geographical distribution of workforce home locations, cultural norms, and standards, etc.

The presented cases show different models, and all models were reported as successful and fulfilled their objectives. The analysis of responses and information gathered during the field interviews support the claim of there is no "best option" but rather "best possible."

The workplace nursery option provides optimum solutions for businesses with huge business sizes and hires hundreds of employees. Furthermore, companies committed contractually with global partners should satisfy specific international standards like Corporate Social responsibility- CSR (ISO 26000). In addition, companies with available spaces, strong admin and HR departments, and seek a long-term solution at reasonable costs would prefer this option.

The discussions with admin and HR teams revealed that the cost associated with workplace nursery is almost 60% - 75% of the cost of contracting external service providers or pay childcare allowances. Other positive elements of this solution are:

• Full control of the service quality and children safety. This option allows better educational and entertainment activities and ensures the basic development of the children on the aca-

demic, cognitive, and personality levels. It also guarantees primary health care services and regular health monitoring.

- A higher commitment of the attendance and work schedule as the female workers simply bring their kids with them in the morning during the regular working hours and leave on standard leave time with no worries about sending their kids to the nursery or bringing them back.
- The working mothers need to ensure that their child is taken care of if the child is kept at
  the workplace nursery it gives them effortless access to check on them from time to time
  and take care of them or breastfeeding them when needed. In addition, they can work without any stress or pressure about their children. Since the childcare is in the workplace itself,
  they can see their children as and when required.

On the other hand, there are some general disadvantages of workplace nurseries. However, these drawbacks are not impossible to be corrected and mitigated.

- When a workplace nursery benefit is offered it is offered by the assumption that it is for one child per employee. But the employees can have more than one child which means getting more benefits than others with only one child. That seems to be discrimination among the employees. This also affects the work there is a conflict that is created in the team. This could bring down the performance of the employee. Here the management will have to make proper policies to ensure fair and equal benefits among all employees.
- There are many legal and administrative formalities to be completed. Once these formalities are completed, they have to take care of the child in a proper manner. As a result, the company is potentially liable for all incidents that could happen to any children. This type of responsibility and liabilities could prove to be a significant burden in the long run. Therefore, the company must hire and establish firm policies and procedures for childcare facility operations and maintenance to avoid any potential liabilities.
- In some cases, there was confusion between personal life and work responsibilities. When
  the parents are with their children in the workplace, it reduces the difference between the
  parents' personal life and professional life. Since they are always with their children, their
  work is distracted very often. Besides this, the employees would like to spend their free time
  with their children rather than colleagues that create more social barriers.

The other main option adopted by several companies is limited to a direct monthly allowance for childcare or outsourcing service providers. This option proves high simplicity and effectiveness in terms of staff satisfaction and business returns. However, the implementation approaches are varied and depend upon the extent to which a company considers this option only as staff benefits or sees it as part of their bigger roles and responsibility towards the community and new generation. In other words, to what extent the companies are recognizing that these services are necessary and essential for children's development and preparing them for the future, and making them grow stronger emotionally, socially, physically, and intellectually.

THE PRESENTED CASES SHOW DIFFERENT MODELS, AND ALL MODELS WERE REPORTED AS SUCCESSFUL AND FULFILLED THEIR OBJECTIVES. THE ANALYSIS OF RESPONSES AND INFORMATION GATHERED DURING THE FIELD INTERVIEWS SUPPORT THE CLAIM OF THERE IS NO "BEST OPTION" BUT RATHER "BEST POSSIBLE."

THE WORKPLACE NURSERY OPTION PROVIDES OPTIMUM SOLUTIONS FOR BUSINESSES WITH HUGE BUSINESS SIZES AND HIRES HUNDREDS OF EMPLOYEES. FURTHERMORE, COMPANIES COMMITTED CONTRACTUALLY WITH GLOBAL PARTNERS SHOULD SATISFY SPECIFIC INTERNATIONAL STANDARDS LIKE CORPORATE SOCIAL RESPONSIBILITY- CSR (ISO 26000). IN ADDITION, COMPANIES WITH AVAILABLE SPACES, STRONG ADMIN AND HR DEPARTMENTS, AND SEEK A LONG-TERM SOLUTION AT REASONABLE COSTS WOULD PREFER THIS OPTION.

The first implementation strategy is outsourcing childcare services to deliver childcare benefits. The company must identify, assess and select the most appropriate service provider considering the quality level, educational and entertainment activities, food services, and health care as the key selection factors. This strategy ensures a minimum level of childcare quality. It reflects the extent to which a company is interested in offering childcare benefits and offering it most effectively and fruitfully for the development and future of the children.

The second approach is to pay financial allowance and leave the selection of the childcare service provider to employees. However, this does not guarantee real childcare services to children. Formally, the company satisfies its part and offers childcare benefits to its staff. However, a considerable number of women reported that they receive childcare allowance. Still, they do not send their kids to the nursery, and instead, they prefer to leave them at home with their relatives or leave them with one of the home-based nurseries (unregistered) that take meager fees.

This option is simple, practical, and feasible for a large number of businesses that do not have the capacity or resources to establish workplace nurseries. In addition, it does not require any administrative burden or impose any kind of responsibility or liability on the company. However, it needs more attention and monitoring from the company to ensure proper childcare services.

There is also the flexible model, which combines several approaches and offers childcare benefits based on the conditions of each case. For instance, some cases are living far away from the work location, and it is difficult for them to carry their children all the way to the factory nursery. In this case, it could be more realistic to receive a monthly allowance but should provide payment evidence to assure that they send the kids to a nursery. Also, the company may develop a list of registered nurseries that any staff member should contract. These procedures and measures will enhance the opportunity to select a childcare service provider with the accepted standards.











