



Tackling Childcare: The Business Case for Employer-Supported Childcare

CASE STUDY

Mindtree
Information Technology, India

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Economy name:
India

Main business city:
Mumbai*

Region:
South Asia

Income level:
Lower middle
income

Population:
1,267,401,849

Female Population:
612,195,535

**Labor force
participation (15+):**
27% female
79% male

**Compulsory
primary education
enrollment age:**
6 years



Leave policies

Paid maternity leave	Yes	182 days
Paid paternity leave	No	0
Paid parental leave	No	0



Legal obligation for employers to support childcare

	0-2 years	3-5 years
Obligation for employers to support childcare?	Yes	Yes
Based on the number of female employees?	No	No
Based on the number of employees regardless of gender?	Yes (50 or more employees)	Yes (50 or more employees)
Special legislation on employer-provided childcare?	No	No



Government incentives to employers to support childcare

Tax benefits to employers to support childcare?	Yes	Yes
Non-tax benefits to employers to support childcare? (monetary and/or nonmonetary benefits)	No	No



Quality of private childcare services

License or registration required?	Yes	Yes
Zoning requirements?	No	No
Pupil-teacher ratio required?	No	No
Penalties for non-compliance with laws?	No	No

*The *Women, Business and the Law* data are based on domestic laws and regulations that apply to the main business city of the economy. For more information on the methodology including the maternity/paternity/parental leave calculation methodology, visit wbl.worldbank.org

Mindtree

Information Technology, **INDIA**

PARENTS, WORK, AND CHILDCARE IN INDIA

During the last two decades, the Indian economy has experienced strong growth with rising wages and educational attainment by women as well as men. In 2012–2013, women comprised almost 46 percent of all undergraduate students (Catalyst, 2015), up from 38 percent in 2000–2001 (Nath, 2014). Yet, women are much less likely than men to be in the labor force, and, unlike in many other countries, economic growth and educational expansion in India is coinciding with a decline in women's labor force participation—from 34 percent in 2000 to 27 percent in 2013 (World Bank Group, 2016). Gendered cultural norms and expectations continue to exert pressures on women to stop work outside the home when they become mothers.

India has an extensive framework of labor regulations that apply primarily to the small proportion of workers in the formal sector (waged and salaried employees make up 12 percent of female and 16 percent of male workers; ILO, 2016). Since March 2017, this includes a mandate for companies with at least 50 employees to provide 26 weeks of paid maternity leave, offer a crèche at or near the work site, and give mothers the opportunity to visit their child four times a day until the child is 15 months old (NASSCOM and Mercer, 2017). The Maternity Benefit (Amendment) Act of 2017 unified and expanded prior sector-specific provisions related to maternity leave and workplace childcare and introduced a home-based work option for a period following maternity leave. The law applies to mothers only; there is no right to paternity leave, or for mothers to transfer some of their leave entitlements to fathers.

Yet, whereas some sector-specific childcare mandates have been in place for many years, there is a dearth of quality childcare. The absence of quality childcare increases pressures on mothers to leave paid employment (Ray, 2016; Hamsa, 2010). For India's economy and businesses, women's low labor force participation results in a large loss of human capital. A study by the McKinsey Global Institute estimates that India's GDP could increase by 60 percent, adding \$2.9 trillion to GDP by 2025 if India could breach the gender gap in employment (Woetzel et al., 2015).

Mindtree's **Employee Profile** in 2016:

- 28% of Mindtree's permanent workforce are women

Mindtree **supports employees with children** through:

- Workplace crèche
- Reserved places in external childcare centers and free childcare for night shift workers
- Paid maternity and paternity leave
- "MiLady App" enables expecting and new mothers to stay connected, relevant, and inspired
- Designated room for lactation
- Work-from-home options
- Baby's Day Out in the campus, which allows parents to work while keeping a watch on their kids

Main business **impacts of offering childcare support**:

- Award-winning employer in a tight labor market
- High retention of new mothers, and of parents more generally
- Key building block for Mindtree's diversity and inclusion goals



MINDTREE EMPLOYEE AND MOTHER.

PHOTO: COURTESY OF MINDTREE

This case study discusses how Mindtree Ltd., a global information technology (IT) consulting company headquartered in Bangalore, is going above and beyond regulations to support the childcare needs of its employees through subsidized workplace childcare and bring-your-child-to-work options for female and male employees, extended parental leave, supports for women during pregnancy and new parenthood, and work-at-home options. Mindtree Ltd. is benefiting by being an award-winning employer in a highly competitive labor market, with high return rates of new mothers and high retention rates of parents. Childcare supports are an important building block for achieving Mindtree Ltd.'s diversity and inclusion goals.¹

In 2016–2017, Mindtree had global revenues of \$779.8 million and employed close to 16,470 people across India and the Asia Pacific, Europe, and North America regions. Approximately 10,000 of Mindtree's employees are based in Bangalore; a further 3,500 work in other Indian locations such as Chennai, Hyderabad, and Pune. Founded in 1999 by 10 software engineers, it was one of the first Indian IT companies to be backed by private venture capital (Ghosh, 2014). The company

has grown rapidly, reaching revenues of \$100 million in its first six years, and has been publicly listed since 2006. Mindtree is one of the top seven IT and Business Process Outsourcing companies in India. In 2016, Mindtree was recognized as one of the top 10 companies for women to work for in India (*Working Mother Magazine*, 2016).

MINDTREE'S BUSINESS CONTEXT FOR SUPPORTING CHILDCARE

Mindtree Ltd. operates in a dynamic and highly competitive labor market. The IT sourcing industry in India has grown rapidly in the last two decades, and more than half of global IT sourcing services are provided by Indian companies. Mindtree is pursuing an active growth strategy and plans to add 1,000 employees annually in the coming years. Women are about a third of the workforce in the IT sector, more than half of all recent entry-level hires (NASSCOM, 2016a), and 40 percent of undergraduates enrolled in IT and computer studies in India (Catalyst, 2015).

A recent study estimates that closing the gender gap in female leadership in the IT sector would add between \$430 and \$530 billion to global output (Thomas et al., 2016). The Mindtree leadership team is well aware of the business benefits of gender diversity in IT, and gender diversity is a strategic goal for the company. Mindtree is also working to ensure that women are present at all levels of the company's hierarchy.

In 2016, women were 28 percent of Mindtree's workforce, and

"We have been educated, we have dreams and goals and want to pursue our careers. When we marry, often the discussion is 'work or not work'—we can do both!"

Mindtree employee and mother

“If we want gender diversity, we have to offer childcare. If women are forced to choose between work and childcare, they will choose their kids.”

**Jagannathan Chakravarthi,
Chief Financial Officer**

Mindtree has set a goal of increasing its gender diversity profile, focusing on mid and senior management roles. Although the Indian IT sector is doing as well as IT companies in the United States in employing women (the average gender ratio for large U.S.-based IT companies is 29 percent; Ricker, 2015), women in Indian IT companies hold just 7 percent of executive positions, compared to 18 percent in large IT companies in the United States (Ricker, 2015; Thomas et al., 2015). Mindtree is working to address the challenge of retaining and recruiting women into mid and higher career levels.

Childcare is an important component of Mindtree's recruitment and retention program. Until the passage of the Maternity Benefits Amendment Act of 2017, providing childcare support was voluntary because existing laws did not cover IT companies. The 2017 Act requires all private employers with 50 or more workers, including in the IT sector, to provide childcare at or near the workplace. This is likely to increase competition for childcare facilities and corporate childcare providers, while at the same time making childcare more commonplace in the sector, and less of a recruitment and hiring advantage for companies offering facilities.

Mindtree Ltd., and the Indian IT industry in general, has a young workforce, with an average age range of 25 to 27 years (NASSCOM and PwC, 2016). Almost one in five Mindtree employees have children younger than three years old. For female employees, the pressure to leave work when they

become mothers is high. These pressures reflect both the lack of quality childcare as an alternative and cultural expectations that it is best for young children to be cared for at home by their mothers. Although some new mothers can draw on extended family to provide childcare, the majority of Mindtree employees (six in 10) are internal migrants who moved from their birthplace to work for Mindtree, and may not have family close by. There is a rapidly growing market for preschool education, but the sector lacks statutory standards or oversight, and provision is particularly limited for infants and toddlers (Ohara, 2013; Bright Horizons, 2012; Hamsa, 2010).

HOW MINDTREE SUPPORTS EMPLOYEES WITH CHILDCARE NEEDS

To encourage and enable parents to stay employed, Mindtree offers an extensive set of child-related benefits, including subsidized workplace childcare; a “Baby's Day Out” facility to allow parents to bring their children to work in emergency situations; enhanced maternity leave; paternity leave; a program to help women navigate pregnancy, maternity leave, and their return to work; and flexible work options for returning mothers. As Mindtree's Chief Financial Officer (CFO) Jagannathan Chakravarthi explained, “If we want gender diversity, we have to offer childcare: if women are forced to choose between work and childcare, they will choose their kids.”

Workplace childcare: Little Critters

Mindtree employees benefit from subsidized childcare at or near their place of work. Female and male employees (as well as contract employees) working at Mindtree's Bangalore headquarters can have their children cared for at Little Critters, a custom-built childcare center that caters to children from age 6 months to 8 years and offers full-time daycare for preschool children and aftercare for older children. The center is open from 8 a.m. to 8 p.m. on weekdays, and its vacation and holiday policies follow Mindtree's schedule. It is open on the days when Mindtree is open.

“If I did not have Little Critters, I would give up work. My parents are working; they cannot help. And I cannot find a babysitter/nanny who I would trust to be alone with my child at home.”

Mindtree employee, mother, and user of Little Critters

The center opened in 2009 after an extensive benchmarking and consultation process on its design. Rosalee Kombial, Associate VP People Function, explained that it would have been possible, in principle, to cover childcare needs by contracting with one of the corporate childcare providers since there are high-quality facilities in the business park where Mindtree’s HQ is located. Building its own center gave Mindtree more control over the process and allowed the crèche to be a signature piece for Mindtree’s philosophy and corporate approach. The objective was to build a center that reflects

best-in-class insights on child-centered design and child development. As Head of Diversity and Sustainability Chitra Byregowda explained, “Parents are going to leave their children here for eight hours a day; the center has to be special.”

The center (see Figure 1) provides 35 square feet per child and includes an outside play area. The children-to-adult ratio varies by age. There are three categories of staff: helpers who change diapers and otherwise assist; caregivers who play with and feed the children; and two early childhood teachers. A pediatric nurse is also on staff. Currently, the center is at full capacity with 89 children enrolled full and part time, cared for by 36 staff. The center also keeps some capacity to allow parents to bring in their children in emergencies, for up to 10 children per day. Little Critters is used by approximately a third of potentially eligible employees.

Twenty parents are currently on a waiting list, and Mindtree is considering how it can best expand the childcare offer—whether to build an extension to the center or provide additional capacity in another manner. Places in the center are allocated on a strict first-come, first-served basis.

Younger children are dropped off and picked up by their parents with reserved parking nearby to make this safe;

Figure 1. Ground floor layout of Mindtree’s Little Critters childcare center



IMAGE: COURTESY OF MINDTREE

“My wife works full-time, too, but her workplace does not offer childcare. My daughter is very happy at Little Critters. It definitely is a factor for wanting to stay at Mindtree.”

Mindtree employee, father, and user of Little Critters

children attending on an aftercare basis are transported to the center by transportation arranged through their schools. The center does not provide food; parents prefer to bring in precooked meals for their children, a reflection of considerable diversity in dietary requirements and traditions. Parents can visit the children during the day (hours are prescribed to ensure that sleeping time is not disrupted), an option that is highly appreciated by parents.

The management of the center is contracted out to Your Kids Are Our Kids (YKROK), a for-profit corporate childcare provider that is 50 percent female owned. YKROK was awarded the contract in 2015. Although the contract for running the center is newly awarded every three years, all the staff have been with the center since it opened. This continuity is very important to the parents who look for a cozy and family-like environment. The contract includes strict quality standards and all crèche staff are trained accordingly. As part of the contract, YKROK provides off- and on-the-job training to staff. There are no official standards for early childhood education staff in India. YKROK, which has been in business for 15 years, is training staff using its own curriculum.

Parents appreciate that the center only caters to Mindtree employees. Having colleagues who also use the crèche means that, in an emergency, someone else may be able to pick

up a child. The fact that the crèche is owned and overseen by Mindtree is also seen as an advantage because senior managers are seen as stakeholders in the quality of care, unlike having one's child in a completely independent, for-profit childcare center.

Fees vary according to the child's age, with the monthly fee for a two- to three-year-old attending full time in 2016 was 7,000 Indian rupees (\$109). The fees are set to cover staffing and management costs as charged by the contractor. The fees are substantially lower than the rate charged in other centers because Mindtree provides the premises and covers the cost of cleaning, electricity, waste management, and maintenance. This translates into an approximate monthly subsidy of 4,000 Indian rupees (\$63) per child, and a total fee of 11,000 Indian rupees (\$172), when compared with similar services elsewhere, according to YKROK. Although Little Critters offers high levels of care and great facilities, there are centers elsewhere with a greater emphasis on early childhood education and with more sophisticated facilities (such as, video streaming that makes it possible for parents to watch their children remotely) charging fees that are 25 to 40 percent higher than Little Critters' fees. The center was designed to stay affordable while meeting parents' most important objective: for their children to be cared for as lovingly and safely as if they were cared for at home.

“Trust is important. The women workers at Little Critters have been trained. It is a very friendly atmosphere.”

Mindtree employee, mother, and user of Little Critters



PHOTO: COURTESY OF MINDTREE

THE LITTLE CRITTERS CHILDCARE CENTER AT MINDTREE.

Other childcare supports

None of Mindtree’s other Indian locations are large enough to make a dedicated Mindtree childcare facility feasible. Instead, Mindtree is contracting with service providers who operate childcare centers in Chennai, Hyderabad, and Pune (Mindtree’s other major locations) to reserve a set number of places for parents working for Mindtree, charged at a subsidized fee basis similar to Little Critters. Mindtree is keenly aware of the excess demand for good workplace childcare. As part of its mission to ensure that its employees can rely on quality care for their children, Mindtree reaches out to developers and is active in India’s Infrastructure and Commercial Realtor’s Association to persuade them to dedicate more space to childcare centers when new office buildings are constructed. Yet, since this is not their core competency, convincing developers to do so can often be an uphill battle.

Childcare for nightshift workers

Although parents who use Little Critters are expected to pay a fee, mothers who need to pay for childcare services while they work the night shift are fully reimbursed for the costs. Mindtree offers reimbursement for the fees of using a night crèche or a babysitter/nanny to provide childcare at home.

Support for breastfeeding mothers

Under Indian law, nursing mothers are entitled to two breaks for breastfeeding per day until the child is 15 months old. Mothers of infants in Little Critters can visit their babies throughout the day. The infant area in Little Critters has a private room where mothers can breastfeed their children. This option, however, is not used much; mothers typically no longer breastfeed their infants during the day once they return to work.

Baby’s Day Out/bring-your-child-to work facility

From its inception, Mindtree has been keen to create a welcoming environment for its employees, an environment that acknowledges that many employees are also parents and allows employees to bring their children to work when childcare arrangements fall through. When Mindtree moved into its new headquarter building in 2007, the arrangement was formalized with a “Baby’s Day Out” facility: a spacious room with a play area, toys, and sleeping mats for children, and computers and work stations for their parents. Although parents are responsible for supervising their children, a helper is available to provide some back-up care. “It is very common for people to bring their kids to work in emergencies—during

Maternity and Paternity Return Rates at Mindtree (2013–2014 and 2015–2016)

873 **women went on maternity leave**

758 **(87%) women returned from maternity leave and were still employed a year later**

2,301 **men went on paternity leave**

2,141 **(93%) men returned from paternity leave and were still employed a year later**

school holidays in particular it is buzzing with children here. It creates a feel-good factor,” explained Rosalee Kombial, Associate VP People Function.

Maternity and paternity leave

Mindtree supports its employees throughout the process of becoming parents. The company offers six months paid maternity leave to both biological and adoptive mothers,² as well as the option of an additional six months of unpaid special needs leave. In line with Indian law, there is also three-month surrogacy leave. There is no statutory entitlement to paternity leave, but at Mindtree fathers receive five days of paid paternity leave.

To help female employees navigate through their pregnancy and stay connected with Mindtree during their maternity period and to make their return to work as smooth as possible, Mindtree developed the MiLady App. The app pulls together many resources, including pregnancy, health, and nutritional advice, information about policies and benefits, reminders about key dates and notification requirements, organizational updates, and access to e-learning modules that helps women stay up-to-date with new developments while they are on maternity leave. Mindtree developed MiLady with minimal costs, using a summer intern to research the type of information to include in the app, and drawing on Mindtree’s internal software development capacity to turn the research into a usable tool. The resources can be accessed directly from one’s cell phone and do not require a laptop. Through the app, employees can also access confidential counselling services (to help, for example, find a way to deal with parents or in-laws skeptical of the planned return to work) or help finding a “buddy,” another parent who has volunteered to provide tips on how to successfully navigate being a working parent.

In recognition of the large influence of family on decisions regarding work and motherhood, Mindtree also makes an effort to include key persons in the employee’s life, such as the

Baby’s Day Out: “It is very common for parents to bring their kids to work in emergencies. During school holidays, in particular, it is buzzing with children here. It creates a feel-good factor.”

**Rosalee Kombial, Associate VP
People Function**

spouse, parents, or in-laws, in preparations for the employee’s maternity leave and return. Returning from maternity leave can be stressful, and not only because of the need to adjust to the new role of working mother. In a fast-paced, project-based environment with frequently changing teams, being out of the office for an extended period often translates into being out-of-mind of supervisors, according to Head of Diversity Chitra Byregowda. For returning mothers, that can mean coming back without a clear work assignment or work station. Through the MiLady App, the new mother’s line manager will get advance notice of the date of her return, to ensure that the new mother is immediately integrated into a team. The e-learning modules give women an opportunity to stay up-to-date with rapidly changing software, and make sure her line manager is also aware that her skills are up-to-date.

Given higher attrition rates in the past, Mindtree also has an active recruitment “Home Coming” program of reaching out to past employees. In 2015–2016, more than 70 ex-Mindtree employees rejoined the company (Mindtree, 2016).



MINDTREE'S LITTLE CRITTERS CENTER.

PHOTO: COURTESY OF MINDTREE

Mindtree employees also get 20 days paid vacation leave, as well as paid time off on public holidays. Employees further receive 30 days of paid leave for their own illness. In special situations, such as family or child emergencies, Mindtree employees can apply for up to 180 days of unpaid Special Needs Leave.

Women in management

Mindtree has made major progress in encouraging women to stay at the company following the birth of their children; however, challenges remain to increase the number of women in middle and senior management. In 2015–2016, women made up 31 percent of associates, but just 13 percent of middle managers, 7 percent of senior management, and 12 percent of top management (Mindtree, 2016). As part of its efforts to improve gender diversity throughout the company, Mindtree has developed “Exuberance,” a training and mentoring program for 100 women identified to have the highest potential to advance. Part of the program’s objective is to convince women that it is indeed possible to successfully fulfill a leadership position and be a good mother.

Leave and flexible working arrangements

Mindtree supports returning mothers with a number of policies. Mindtree employees can work from home for up to six days per month without requiring special permission from their supervisors. If there is a care crisis, it is possible to work from home for up to 30 days. The work-from-home policy has resulted in a 20 to 25 percent reduction in absenteeism. Employees can also formally reduce their working time and work half-day/half-work week.

Although Mindtree is moving toward increasing the options for home-based work more generally for its employees, working at home is not yet common. This partly reflects the type of work that is done at Mindtree. Face-to-face interaction is an important factor for the performance and dynamism of software design teams. In other teams, the confidential nature of data handled by Mindtree limits options for off-site work. Mindtree is working to increase the flexibility it can offer its employees, including by investing in a greater number of secure laptops.

COSTS OF PROVIDING CHILDCARE

The construction of the Little Critters daycare center cost 1.74 crore Indian rupees (\$265,000). Because it was built on land that was already part of Mindtree’s headquarter park, the company did not need to purchase land separately. Mindtree did not receive any tax benefits or government subsidies for building the crèche. The company funded the construction costs from a special contingency fund set up for projects that have a longer time horizon and do not neatly fit the standard manner of evaluating new investments. Although Mindtree has not conducted a detailed cost benefit analysis of the investment in the crèche, the CFO expects the investment in the crèche to be amortized in five to seven years.

Mindtree’s operating costs for the center are limited. It charges the maintenance and facility costs through its general maintenance and cleaning contracts, and subcontracts the center’s administration and day-to-day management to YKROK. Under the contract, YKROK must facilitate a parent governance committee, and, although Mindtree inspects the

center on a monthly basis, families provide oversight on a day-to-day basis and meet quarterly to address any concerns. Mindtree's major time investment in running the crèche comes every three years when it reissues the three-year contract, a practice that prevents the company from becoming overly dependent on just one corporate provider. In Mindtree's view, the practice additionally helps to develop the commercial childcare market and can also be a channel for supporting women-owned businesses (as in the case of YKROK). It also provides an opportunity to benchmark the childcare that is offered. In preparing to issue a new request for proposal (RFP), Mindtree visits and reviews a range of childcare centers.

Mindtree has not taken out any special insurance to cover the crèche, and parents are not asked to sign a limited liability statement. Associate VP People Function Rosalee Kombial believes that while it is of course never possible to avoid all risks, following standard due diligence procedures keeps risks to a minimum. Procedures include having medical staff on-site, regular fire and evacuation exercises, and ensuring that staff are trained in emergency procedures as they apply to babies and children.

BUSINESS IMPACT OF MINDTREE'S CHILDCARE BENEFITS

Mindtree's childcare and related benefits contribute to Mindtree's strategic objectives of growth, innovation, and gender diversity. Providing childcare benefits helps Mindtree recruit and retain employees in a tight labor market, and to improve productivity by reducing absenteeism and allowing

"My daughter is very happy at Little Critters. It makes for family bonding. I would see much less of her if the childcare center was not there."

Mindtree employee, father, user of Little Critters, and focus group participant

"There are always risks, but you have to do something. We follow our usual due diligence procedures with Little Critters, and we involve the stakeholders, the parents. They can all see the steps that we take to ensure safety. It is an informed risk."

Rosalee Kombial, Associate VP People Function

employees to fully focus on their jobs. Moreover, the childcare benefits contribute to Mindtree's objective of being a diverse and inclusive company. To grow and sustain its current success, Mindtree must hire and retain women. As Head of Diversity & Sustainability Chitra Byregowda pointed out, "If you do not tap the potential talent in the market, you will miss diverse talent in the company. Greater diversity brings business benefits through innovation, and it is also an advantage to us when we talk to our global customers."

Recruitment

During the last three years, the proportion of women among new Mindtree recruits in India has steadily increased, from 26 percent in 2013–2014 to 31 percent in 2015–2016 (Mindtree, 2016). This is the result of several focused initiatives, not solely linked to childcare. Yet childcare is an essential component of the company's strategy to recruit women. Mindtree is competing with other companies for these well-educated young women, and childcare supports are no longer an extra but a basic benefit expected by potential recruits. As Associate VP Human Resources Anish Philip explained, "Any woman considering joining Mindtree will ask, 'Do you have a childcare center?' Offering childcare is a basic requirement [in the talent pool in which we compete]."

Retention

The IT industry in India is highly dynamic and voluntary staff turnover rates are considerable, including at Mindtree. As a result of Mindtree's efforts, the voluntary attrition rate at the company is declining, from 18 percent in 2014–2015 to 16 percent in 2015–2016 (Mindtree, 2016). Replacing an employee is costly. Although there are no IT industry-specific estimates for India, the costs of replacing a professional employee are typically estimated at a minimum of nine months' salary (including the costs of the recruitment process, the time it takes the new employee to be fully productive, and the time spent by colleagues, supervisors, and managers during the recruitment and familiarization process).

Many companies in India lose female employees to motherhood. As a result of Little Critters and Mindtree's other support systems for working mothers, this is not the case for Mindtree. Almost all women who go on maternity leave at Mindtree return to work, and 90 percent of new mothers and 91 percent of new fathers still work at Mindtree one year following their return from maternity/paternity leave, a substantial improvement from two years' earlier, when the same measure yielded a rate of return of "only" 82 percent for new mothers and 87 percent for fathers (Mindtree, 2016). At 10 percent, this attrition rate for recent mothers and fathers, is far less than the attrition rate for all workers. Most mothers with children at Little Critters attest to the center's crucial role in their decision to stay at Mindtree.

"Any woman considering joining Mindtree will ask: Do you have a childcare center? Offering childcare is a basic requirement [in the talent pool in which we compete]."

Anish Philip, Associate VP Human Resources

"One of my team members did not have good childcare—you could see how flustered she was. Now, with a place at Little Critters, she is much more focused."

Jagannathan Chakravarthi, CFO

Productivity

For CFO Chakravarthi, the biggest impact of Little Critters is not retention but productivity. Although Mindtree does not measure employees' individual productivity (in a highly team-based organization, this is not seen as feasible or desirable), knowing that their children are well cared for means that mothers at Mindtree can fully focus on their jobs. Little Critters also potentially improves the productivity of parents who are not general users of the center but who can bring their children to Little Critters in emergency situations. Parents also benefit from the support provided by colleagues who are also users of Little Critters. Knowing that others they trust are close by, and may be able to pick up their child in an emergency, allows working parents to focus on work rather than worry about childcare. Lastly, having colleagues who are fully focused on their work rather than worried about their children also helps general team cohesion and performance, including for those in the team who do not have children.

Diversity

Mindtree's 2016 Sustainability report states, "Being inclusive since inception, we stay committed to our diversity vision. Gender diversity, especially at mid-rung, is of high significance to us" (Mindtree, 2016). Although from the outset, Mindtree acknowledged that many of its employees are also parents, Little Critters and the policy of facilitating workplace childcare for employees outside of Bangalore is an essential building block in recruiting and developing female talent at Mindtree.

LESSONS LEARNED

As Mindtree has grown, its policies to support childcare have also evolved. The company started by encouraging parents to bring their children to work in emergencies. When it built the new headquarters, Mindtree took the opportunity to include a dedicated Baby's Day Out facility. As the company grew, it contracted with private childcare facilities to reserve spaces for its staff's children. When numerous parents reported concerns with the quality of care available, Mindtree built its own workplace childcare center. Although Little Critters reduced maternity-related staff attrition, it did not eliminate it, and thus Mindtree developed complementary policies, such as the MiLady App, to overcome additional obstacles to women's return to work. In evolving its policies, Mindtree has benchmarked itself against the best in its field but has tailored its approaches to fit in with its overall philosophy and approach.

Although Little Critters is open to all employees, Mindtree's policies for working parents focus more on women than men. This includes remote working options and parental leave policies and reflects Mindtree's specific goal of increasing gender diversity. By offering the use of Little Critters to both male and female employees and by providing at least some paid leave for new fathers, Mindtree is steering against the broader legal, social, and cultural neglect in India of fathers' work-family concerns. Mindtree's data shows that fathers, like mothers, have lower attrition rates than other workers, and suggests

“When there are women in the teams, when the teams are diverse, a lot of new things happen. Having more women on our teams also helps us when we talk to customers.”

Chitra Byregowda, Head of Diversity and Sustainability

“Mindtree is known as a good employer but we do not just want to be ‘nice’: we also get results by employing career-focused young women.”

Pankaj Khanna, Head of Revenue Assurance

that more proactively including fathers in its childcare-related policies may pay off economically.

Mindtree's workplace childcare center is currently at full capacity and the company is facing the challenge of expanding childcare facilities. The issue in the childcare market is less one of overall supply than of quality and standards that are acceptable to Mindtree employees. Thus, Mindtree is working to expand childcare provision in the locations where it is active, by, for example, actively reaching out to real estate developers to encourage dedicated space for childcare centers. Given the new legislation that introduces a statutory requirement to provide workplace childcare, these efforts are becoming ever more relevant.

Mindtree's childcare policy has high pay-offs in terms of the talent it attracts and retains. The company has found a cost-effective way of providing such support in a manner that reflects Mindtree's values and supports its goal of being a truly diverse company.

Endnotes

- 1 Interviews for this case study were conducted in person in Bangalore in November 2016 with a cross-section of Mindtree staff, including the Associate VP Compensation and Benefits, the Associate VP Human Resources, the Global Head of Quality, the Chief Financial Officer, the Head of Diversity & Sustainability, the Director of the childcare center, and two focus groups of parents working for Mindtree. An interview was also conducted with a co-director of YKROK, the company managing Mindtree's Little Critters childcare facility.
- 2 Until the recently passed Maternity Benefit (Amendment) Act of 2017, this was three months more than the statutory requirement.

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