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THE TIMES OF INDIA

Cos: 26-wk maternity leave is pathbreaking

TNN | Mar 11, 2017, 04.50 AM IST

Mumbai: With the new maternity bill being passed by Parliament, companies will have to frame concrete internal policies to fast-track career growth of returning mothers. Although lauded by all, the law, that more than doubles paid maternity leave to women workers to 26 weeks, has some companies worried as to whether it could backfire.

Moorthy K Uppaluri, MD & CEO of Randstad India, said, "This is indeed a progressive move that will enable a more inclusive work environment. The costs of providing these benefits will be offset in a healthy way in form of retention and stability within the organisation. A set of concrete internal policies to fast-track career growth of returning mothers, would be a good idea to ensure that this much-needed legislation is implemented meritoriously across India Inc, and is not perceived as a liability by the employer who will have to accommodate the absence of the resource."

Lakshmi Murthy, chief people officer, ITM Group of Institutions, however, said, "26 weeks of absence of a key employee weighs very heavily on businesses in an extremely competitive, low-margin corporate world." Murthy added, while the coverage of unorganised sector is welcome, in the absence of a strong implementation backbone, the possibility of employers circumventing the law is high.

On the other hand, T Muralidharan, chairman, TMI Group, said while it is great for the employee, from employer's stand point, "this will be a damper". "While I welcome the increase in leave, I would have preferred if part of the increased leave would be 'leave without pay'. This would be fair to both. The paternity leave will be the next legislation I suppose," Muralidharan said.

In a country where the female participation in workforce is alarmingly dropping, Madhu Damodaran, co-founder of Simpliance, and director of Co-Achieve Solutions, said one should constantly look for ways to bolster their representation. "But on the flip

side, a move from 12 to 26 weeks should not become a deterrent in hiring women altogether. Unless it is a very specific skilled woman, it is possible employers or managers have the possibility of a long absence at their back of mind while making hiring decisions," Damodaran said, while suggesting that it be balanced out with a paternity leave option to ensure there is parity, and hiring managers do not take biased decisions.

"Another option would be to make the payment of six-month benefit, to be collected at least in part when the woman employee returns to work. This would give women an added impetus to return to work," said Damodaran.

The Kelly Global Workforce Insights (KGWI) survey of 2016 on women in STEM found that women in India tend to drop out of the workforce at key phases in their lives, most notably around childbearing years.

Thammaiah B N, MD of Kelly Services India, said, "The most significant driver is the 'double-burden syndrome' of women struggling to balance work and family in a culture where both men and women feel the family and household duties are primarily the woman's responsibility. The 26-week maternity leave will give a greater window for women to provide adequate time during this very important period in their lives and return to work and focus on their careers."

Progressive companies have already implemented a maternity leave policy of offering 24-26 week entitlement to its women employees. Some have gone further ahead and offered the same quantum of paternity leave as well. Jayanthi Vaidyanathan, director (human resources) at PayPal, said, "This is indeed a historic move that will encourage more women to continue in the workforce and have fulfilling careers. Industry reports suggest that 41% of women in technology companies tend to leave mid-career, most notably around childbearing years. With the bill passed now, we can begin providing women the motivation to reverse this trend."

The law is expected to improve gender diversity at the workplace. Lohit Bhatia, business head (staffing solutions) at IKYA Human Capital Solutions, said, "While women form nearly 50% of the population, their participation in formal employment is a

mere 10% or less than that. Further, as the hierarchy rises, their representation drops significantly. At senior levels and board levels, they form only 1%, owing to the challenges a woman faces during and post maternity. With this bill, many of the challenges faced by women can be addressed. In fact, it can help in bringing down the dropout ratio."

"From a corporate perspective, while industry and private sectors may have to initially provision for these amendments and thus may incur additional expenses, the long-term, positive impact is that it will lead to more proactive thinking at organisations, reduction in conflicts and a more engaged and empowered women workforce. In fact, the ROI (return on investment) of this amendment will be far higher, making organisations not to fret on the initial expenses that they may incur," said Bhatia.