

## TACKLING CHILDCARE

# From Barriers to Breakthroughs: Family-Friendly Workplaces for Indonesia's Future

### Limited access to care services is holding business back.

IFC found that care responsibilities are imposing significant economic costs on employers:

 **4 working days lost**  
per employee per year  
due to care responsibilities.

 Equivalent to **1.7%**  
of the total wage bill.

 **IDR 60.970.682.636**  
The **annual cost to business** across  
all participating companies.

### Key Findings

**Attendance, performance, and focus of working parents  
are impacted by childcare responsibilities.**

**49%**

say childcare  
responsibilities  
distract them  
at work

**46%**

arrived late or  
left work early  
due to childcare  
responsibilities

**24%**

missed work  
altogether

**11%**

considered  
quitting their job  
due to care  
responsibilities

**40%**

**of employees  
had other  
caregiving  
responsibilities.**

**37%**



cared for elderly/aging  
family members

**3%**



cared for family members with  
disabilities or special needs

- **22%** are 'the sandwich generation' caring for both children and aging family members simultaneously
- **19%** missed work as a result; **18%** felt this stress negatively impacted their work.
- **15%** considered quitting due to these responsibilities.

### How does women's economic participation in Indonesia stack up?



53% of women are in the  
labor force, vs 81% of men.



A 25% increase in female labor force  
participation could add US\$62 billion to  
Indonesia's GDP.



Childcare responsibilities often compel  
women to quit, pass up promotions,  
or decline job offers.

### Working parents are deeply concerned about affordable, quality childcare.

**Top concerns: quality, convenience, and sick-day care.**

- Most working parents rely on informal care (spouses, grandparents, etc.).
- Only 16% had a backup childcare arrangement.
- ~20% use paid carers; only 2% rely on daycare/playgroups
- Most are satisfied with their care arrangements, but half worry about safety, tech usage, health, nutrition, and learning.
- ~ 1/3 struggle to find childcare that fits work schedules.
- Most pay up to IDR 3M/month per child for childcare; professional care costs up to IDR 5M.

## RECOMMENDATIONS

Companies can explore many strategies to support employees.

### Before you start:

- Conduct a childcare assessment and survey employees on their needs.
- Understand your legal requirements
- Identify the kinds of services you can offer (demand, supply, costs, and measurement).

The most successful and sustainable approaches are tailored to the specific needs and priorities of the company and its workforce, and include:

- Providing diverse care solutions
- Enhancing employee leave entitlements
- Exploring, adopting, and implementing flexible work policies
- Supporting caregivers and parental wellbeing
- Monitoring and strengthening inclusive childcare systems



## CARE SOLUTIONS DRIVE ECONOMIC GROWTH FOR BUSINESS

Supporting employees to balance care with work benefits everyone.

Providing family-friendly workplaces for employees will:

- Boost women's labor force participation
- Create a more motivated and committed workforce,
- Enhance company reputation with customers, investors, and communities
- Strengthen management and leadership teams
- Improve employee recruitment and retention
- Improved performance and productivity

### How are companies responding?

Parental leave and flexible work options:

- Some companies (DBS, Unilever, P&G, Nestlé) provide enhanced leave that goes beyond statutory parental leave requirements (3 months), with some also providing additional paternity leave to new fathers, contributing to a more equitable division of responsibilities.
- Companies, such as DBS, Digiserve by Telkom Indonesia, and Unilever have introduced flexible hours and remote working to attract and retain more female employees.

### Employer-supported care can take many different forms



On-site childcare facilities



Back-up care, including childcare during festive periods



Childcare subsidies and allowances for workers



Extended maternity and paternity leave



Parental skills training, networks, and healthcare benefits



Breastfeeding support



Flexible work or telecommuting arrangements

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