

An Analysis of The Positive Impact of Maternity Leave on Women in The Workforce

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Yamini M

II BBA CA – 'B'

Department of Management Studies, Dr. N. G. P. Arts and Science College

Dr. R. Latha

Associate Professor, Department of Management Studies

Dr. N.G.P. Arts and Science College, Coimbatore

Abstract

Maternity leave can shape the career trajectory of a woman as it plays a major role which can be empowering or damaging depending on the context. Maternity leave is a crucial period that should be given to new parents as this is the time for bonding with a newborn through their early developmental stage. Implementing maternity leave can positively affect women's careers as it will not reduce economic opportunities and hinder growth. This study will explore how maternity leave positively impacts women and the reasons for its importance.

Keywords: Maternity, Working Women, Women's Rights, Empowerment

Research Question

1. How does maternity leave positively affect women's career retention?
2. How can employers benefit from implementing maternity leave?
3. What impact can maternity leave have on work-life balance?
4. What is maternity leave's socio-economic and emotional effect on working mothers?

Introduction

It has become the norm for companies in most developing countries to offer maternity leave to working women during and after their pregnancy. Maternity leave regulates women's employment for a certain time before and after childbirth and provides for maternity and other benefits. However, not all working women benefit from these maternity leaves as some sectors do not recognize the importance of it and the overall benefits it can have. Over the last few decades, women's participation in the workforce has increased in most countries, but this has not been reflected in the benefits offered to them. Some countries have little to no paid leave for new mothers, which negatively impacts women's careers. Many women tend to not choose jobs they want or leave jobs due to high levels of stress and lack of a work-life balance.

Importance of Maternity Leave

Maternity leave helps women balance their careers while taking care of their children. It enables them to participate in the labour market without interrupting their career. Maternity leave also increases employee retention as women are more likely to keep working at firms that offer flexible and beneficial policies that allow them to focus on both their personal life and work lives. It increases productivity as women who return from maternity leave record higher levels of productivity as compared to those without it. It also reduces the risk of burnout among workers and provides a safe space for them to rest.

Hence the importance and benefits offered by maternity leave are many and can be bulleted as the following points:

- Employee retention
- Talent Attraction
- Better opportunities for women
- Reinforces company values among employees
- Improves employee morale and workplace environment
- Enables women to participate in the labour market
- Helps women to focus on their careers without sacrificing their personal life

Impact of Maternity Leave

Some companies have a negative view of maternity leave and only consider the short-term liabilities of offering such benefits. Companies that don't offer such benefits cite cost as their reason for not adopting such policies. However, the statistics from companies and countries that do offer maternity leave tell a different story. Empirical evidence suggests that among companies that have implemented such policies, paid maternity leave has generally helped or had no effect on their bottom line. 92% of companies with a paid maternity leave policy reported that it has a positive effect or no effect on profitability. Contradicting this, replacing an employee costs 21% more. Maternity leave also improves how the company is perceived by others and ensures good branding. It promotes a diverse work environment, elevates women's place in their workplace, and fosters different ways of thinking. Maternity leave actively empowers and encourages women to join the workforce, offering them security and improving their engagement. Studies have shown that providing maternity leave improves retention in formal employment. Unfortunately, many women are underpaid or unpaid as they work in informal sectors that have no benefits or policies that help them.

Comparative Study

Many Nordic and Scandinavian countries have recorded higher rates of productivity and increased GDP rates. When comparing Sweden's maternity leave policies to that of India, many stark differences can be noted.

Sweden India

Leave duration 14 weeks + 90 days (parental leave) 26 weeks Coverage All parents in all sectors, full-time or part-time. Biological mothers and adoptive mothers in formal sectors only. Gender Wage Gap 10.8% 20% Female Labour Force Participation 76% 24% Impact on Hiring Less likely to discriminate and promote gender equality. Almost 26% of employees are hesitant to hire women due to perceived cost. Retention Rate One of the highest retention rates for women. Relatively low retention rate. Childcare Heavily subsidized childcare. Lack of childcare.

The comparisons between Sweden's and India's policies highlight many differences. Sweden has an egalitarian system that ensures that women can balance work and family without sacrificing either. This is largely due to their government-supported and enforced leave policies unlike India's employer-driven policies, combined with many structural, religious, and cultural challenges, Nordic countries also report lower levels of gender discrimination and stigma in hiring practices unlike in India. Hence there exist many disparities in workforce participation and career advancement for women.

Addressing the Challenges

Hence, for better implementation of maternity leave to encourage female labour participation and increase job satisfaction, some issues need to be worked out.

- Government-supported and mandated policies that offer longer and paid leave to parents through social insurance
- Expanding the leave policies so women in informal sectors benefit from these policies
- Offering affordable childcare options to ease the burden and help working mothers
- Making broader societal changes to encourage women into the workforce
- Creating awareness towards such policies so more women enter the workplace
- Offering training or education options that can help improve existing workers' productivity
- Learn from other successful companies and try to apply policies that benefit the company and cover costs

Conclusion

Women workers make substantial contributions to developing economies. However, they face several hurdles in accessing the formal labour markets. Childrearing activities are held against them when they try to advance their careers. Hence, the positive impact that maternity leave has on their life cannot be understated. Higher maternity leave encourages women to enter the labour market, leading to greater female employment. The overall negative association between the leave gap and the female labour force participation rate appears to be driven by the East Asia Pacific, South Asia and Sub-Saharan Africa regions, and this needs to be changed, and that change starts by creating awareness and changing policies around these issues. Maternity leave is not just a benefit for employees, but a strategic asset for companies. By implementing supportive maternity leave policies, businesses can foster a more inclusive and productive work environment.

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