

Supporting Working Parents is Good for Business

CASE STUDY:

Standard Chartered Bank Tanzania Leads the Way in Implementing Family-friendly Workplace Policies



Creating Markets, Creating Opportunities



Standard Chartered Bank Tanzania

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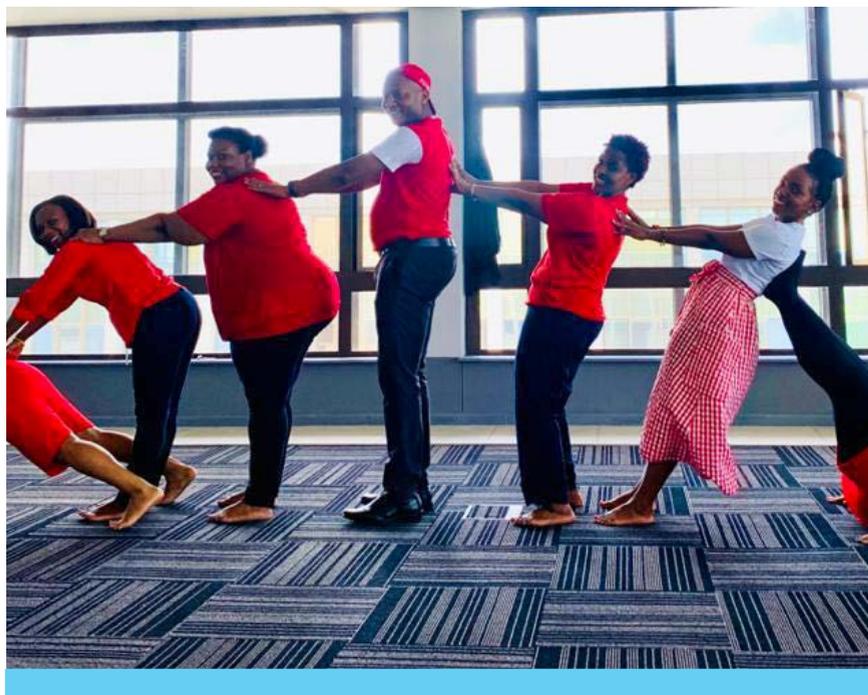
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Since April 2019, IFC has been partnering with Standard Chartered Bank Tanzania under the Finance2Equal Tanzania program, which aims to increase women's participation as leaders, employees, customers, and entrepreneurs in the financial services sector. This case study provides a summary of the findings on family-friendly workplace policies implemented by the bank. It also makes recommendations on how employers can implement gender-smart strategies that support women and men and yield benefits for companies.

Lilian Makau, Head of Human Resources at Standard Chartered Bank Tanzania, reflected on the benefits of the partnership. "Working with IFC gave us fresh ideas which we can use to complement the efforts that are already in place. IFC is challenging us to continue to innovate and become even better by keeping gender on top of our mind, so that we have the right policies in place."



Pragmatic Maternity Policies are Good for Business

In 2017, Standard Chartered Bank Tanzania publicly announced a package of enhanced employee benefits, one of which increased maternity leave from the legally mandated 84 days (about 12 weeks) to 140 days (about 20 weeks). Further, Standard Chartered Bank Tanzania went beyond the legal requirements, eliminating the three-year waiting period before maternity leave benefits could be used for additional births.

Pendo Tarimo, Head of Trade Services at the bank, considers herself lucky to work for a bank with one of the best family-friendly cultures in the industry. Reflecting on the overall experience, Pendo said, "Many women who work in finance at Standard Chartered Bank Tanzania have career ambitions as well as family goals. The bank's policies ensure that our careers are not being harmed when we start families. Even if we need to slow our careers down, we don't need to worry about them going backwards."

These progressive policies helped Pendo, who has worked her entire nine-year career at Standard Chartered Bank Tanzania. After the birth of her second child in 2018, she combined five months of maternity leave with one month of annual leave for a total of six months with her newborn. The extended leave was critical for Pendo during a time when the World Health Organization (WHO) recommends on-demand, exclusive breastfeeding.

When Pendo returned from leave, Standard Chartered Bank Tanzania's new policy gave her the choice of working from home or returning to the office with a legal entitlement for breastfeeding mothers of two hours of paid time off per day to feed her child. "Standard Chartered Bank Tanzania's maternity leave gives working mothers peace of mind because by the time we return to work the baby can sit independently and is starting to eat solids."

About Standard Chartered Bank Tanzania

It is one of the oldest international banks in Tanzania, dating back to 1917

Approx. 250 employees

50 percent of employees are women

One third of the Board and Executive Committee members are women

31 percent of senior managers are women

Turning Policy into Practice

Standard Chartered Bank Tanzania has trained managers on the correct implementation of the new family-friendly policies. For instance, in performance evaluations, mothers may not be penalized for the time they take for maternity leave. Pendo explains, "My targets were adjusted so I was only evaluated for the time that I was working." This is very important for women's career advancement. The year that Pendo returned to work, even with four months of pumping time, she performed well and 10 months after returning from maternity leave, she was promoted to Head of Trade Operations.

The rationale for the bank's market-leading policies are clear. Sanjay Rughani, CEO of Standard Chartered Bank Tanzania explained, "Internal studies show that staff feel more motivated at work when they receive better support in the integration of their professional and personal lives. These policies are part of the bank's effort to create and sustain an environment that enables its employees and their families to succeed." The policies are also part of a broader strategy, discussed below, that helps Standard Chartered Bank Tanzania retain women and positions them for future career progression into management roles.

The Business Case for Gender Equality in the Workplace

There is a strong business case for gender equality and family-friendly workplace policies because they are good for the corporate bottom line, and because they are key instruments for development. In 2019, ILO found that globally, 75 percent of enterprises that had women in decision-making positions saw a profit increase of between 5 and 20 percent. In Africa, the gains were even higher, with 30 percent of companies reporting profit increases of 10 to 15 percent. There were additional benefits for companies. About 65 percent of enterprises reported improved business outcomes, including in productivity. African companies reported an increased ability to attract and retain talent, greater creativity, innovation, and openness, enhanced corporate reputation, and a better ability to gauge consumer

interest and demand (ILO 2019). Further, IFC found that having women on boards enhances governance practices, improves risk management, increases returns on invested capital and equity, and improves board dynamics.

These corporate profit gains feed into economic performance of countries with increased employment and tax revenues. In 2019, McKinsey estimated that Africa's GDP could increase by about \$316 billion, or 10 percent, by 2025 (pre-COVID-19) if each country continues to advance women's equity.

In Tanzania, The Board Room Africa studied 28 publicly traded companies in all sectors, and 75 percent had between one and three women on boards, but about 20 percent had no women on their boards. Out of 28 companies, only two had female chairpersons. Although more women are entering the board room, this has not yet translated into more Tanzanian women becoming CEOs. Of the surveyed companies, only 4 percent of CEO's were women.

Companies are responding to the appeal of the business case for gender equality in concrete ways, implementing policies and practices designed to support women and parents through every career stage. A recent IFC study on gender equality in Tanzania's financial services surveyed five leading companies in the sector, including Standard Chartered Bank Tanzania, and found that all five surveyed companies had non-discrimination policies, equal employment opportunity, and diversity and inclusion (D&I) policies. All five companies also had a human resources policy document in place to guide recruitment and promotion practices, and all had an Employee Code of Conduct policy. All five companies had maternity leave policies that align with Tanzanian law, 12 weeks, or exceed it. Additionally, two out of the five companies surveyed offer special arrangements or adjustments for pregnant women or disabled employees. One company has a nursing room, and another has an onsite short-term creche. Regarding fathers, one company offers two weeks of paternity leave. These policies, at these five companies, which have a total of 8000 employees, signal a broad acceptance that supporting women and parents is good for business.

Standard Chartered is Implementing Policies and Creating a Culture that Supports Gender Equality

For a global financial company with about 90,000 employees in 60 markets, women are a key part of Standard Chartered Group's (SC Group) global corporate strategy. In 2016, SC Group signed the Women in Finance Charter and pledged to increase the number of women in senior leadership roles globally to 30 percent by 2020, and subsequently updated that target to achieve 35 percent by 2024. In its 2019 annual report, SC Group indicated progress of 28.5 percent. Further, in 2018, SC Group signed the UN Women's Empowerment Principles (WEPs), which offers guidance on how to empower women in the workplace, marketplace and in the community. Beyond the workplace, SC Group supports girls aged 12-18 through its Goal program, its flagship education program that uses sports, play and life skills education to transform lives. As of March 2020, the Goal program had reached 525,000 girls in over 20 countries, including Tanzania, and participants in feedback survey reported 14 percent increase in reported self-confidence and 11 percent increase in gender-equitable attitudes.

In Tanzania, Standard Chartered Bank Tanzania outperformed the SC Group in senior leadership targets. In 2020, one third of Board Members and Executive Committee members were women. Standard Chartered Bank Tanzania is also outperforming its African peers in financial services and is considerably ahead of the Africa average which is 19 percent. Further, 31 percent of senior managers are women and half of its 250-employee workforce is comprised of women.

The Business Case for Standard Chartered: Good Policies are Yielding Good Results

At Standard Chartered Bank Tanzania, gender equality is part of the D&I agenda. The Tanzanian CEO is accountable for targets to the regional CEO. He is the sponsor and drives the national D&I efforts together with the Head of HR, ensuring that initiatives are brought to fruition. The CEO and senior management have set the right tone through the corporate culture evidenced in the positive perception of gender equality at Standard Chartered Bank Tanzania among staff, with 66 percent of women and 74 percent of men saying they are equally respected.

At Standard Chartered Bank Tanzania, D&I is not a check-the-box exercise, and the company has been recognized by the Association of Tanzanian Employers, the national employers lobby, for its best practices.

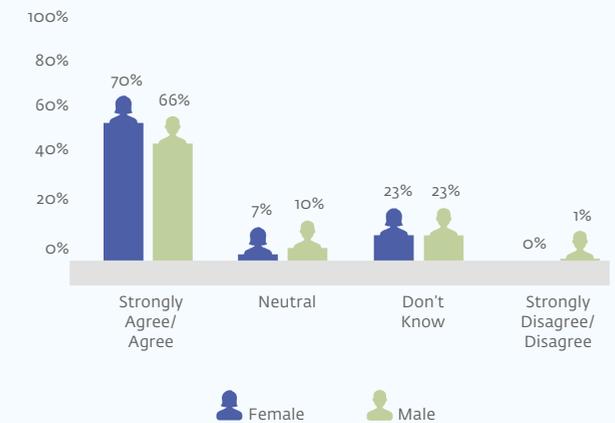
To achieve its D&I goals, Standard Chartered Bank Tanzania developed a holistic strategy to develop its pipeline of internal talent that included the development and implementation of family-friendly workplace policies and practices. In Tanzania, the bank is implementing these strategies and evidence from this case study demonstrates that they are yielding direct business benefits for the bank. These range from high attraction and retention of women, to high maternity return rates, and high employee engagement. The representation of women in business roles indicates a strong female talent pipeline for future leadership. The findings from our research show:

- 1. *Creating a strong pipeline at entry-level, increases retention at higher levels:*** Standard Chartered Bank Tanzania has a “feeder strategy” to retain women in leadership. Since the number of women declines with seniority, in part because of parenting responsibilities, Standard Chartered Bank Tanzania is deliberately attracting more women at entry-level to increase the chances of greater number of women reaching executive level. Standard Chartered Bank Tanzania’s entry-level staff are 59 percent female and 41 percent male. The bank’s strategy is also to recruit qualified women beyond the typical back office and administrative functions such as HR and Marketing and focus on core business roles. For instance, there are 8 percent more women than men in business roles, helping fill a potential pipeline for future women banking leaders. This greater representation of women in business functions reflects a shift in the perceptions of who can be a rainmaker and who can bring in revenue.
- 2. *Enabling a sustainable retention strategy:*** A key tactic for Standard Chartered Bank Tanzania to retain internal talent is to support working parents. Over the last two years, the bank has expanded its investment in parental support, flexible work policies and a returning mothers program, and all together these strategies have strengthened Standard Chartered Bank Tanzania’s female workforce and its corporate brand.

Parental Leave: The Tanzanian Employment and Labor Relations Act of 2004 (the Act) establishes that employees are eligible to take 84 days (about 12 weeks or three months) of paid maternity leave for the birth of a single child; however, in 2017, Standard Chartered Bank Tanzania expanded its policy to give mothers 20 weeks (about 140 days or five months) of maternity leave. This maternity leave not only exceeds the statutory requirement, but it is currently the longest among banks in Tanzania. Standard Chartered Bank Tanzania’s policy is having a demonstration effect and another leading Tanzanian financial institution is working to also expand their maternity leave to five months.

Fathers at Standard Chartered Bank Tanzania receive two weeks of paid leave, going beyond the government mandated three days, and is one of the longer paternity leaves in the market. The new parental leave policy is giving Standard Chartered Bank Tanzania a competitive advantage, with 70 percent of women and 66 percent of men saying it’s the best in the market.

I think SCBT has the best parental leave policy in the market



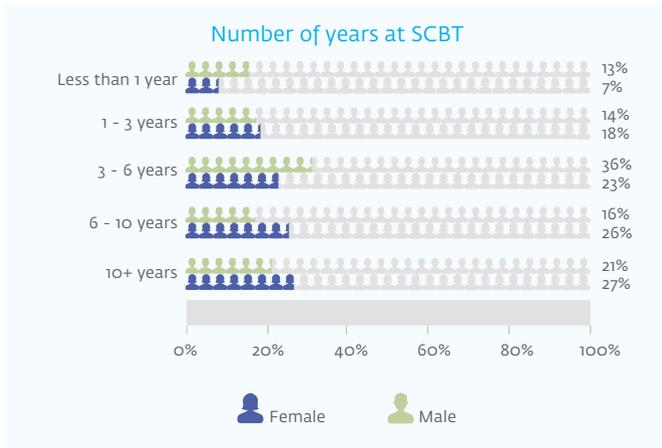
Standard Chartered Bank Tanzania also offers mothers other benefits. For those new mothers who return to the office, the bank is preparing a lactation room for breastfeeding and pumping which will be ready by July 2021. Further, when a sick child needs to go to the doctor, parents can use compassionate leave, although the D&I Council is working on creating a new category for caregiver leave which would allow those caring for elders and relatives to claim it as well.

Standard Chartered Bank Tanzania's pragmatic maternity leave policies as well as a woman-friendly culture is translating into positive results. As of 2020, the retention of women staff is healthy, with 53 percent of women having worked there for more than six years, compared to only 37 percent of men who have worked for more than six years. Women tend to stay with the organization longer, with the highest percentage of women working with Standard Chartered Bank Tanzania for more than 10 years, compared to most men working between three and six years. Further, 64 percent of promotions in FY 2019 were given to women, indicating positive efforts to recognize and reward women.

Flexible Work Policies: When Standard Chartered Bank Tanzania's flexi-work policy was introduced in 2018, it allowed employees to work from home one or two days a week and permitted flexible schedules. However, the onset of the COVID-19 pandemic in 2020 and resulting lockdowns triggered a shift of about 60 percent of staff rapidly pivoting to home-based work. To provide business continuity, the bank responded by investing in technology – buying computers that staff could take home, investing in internet plans for staff to stay connected, and encouraging staff to take office chairs home to make their work environment more comfortable.

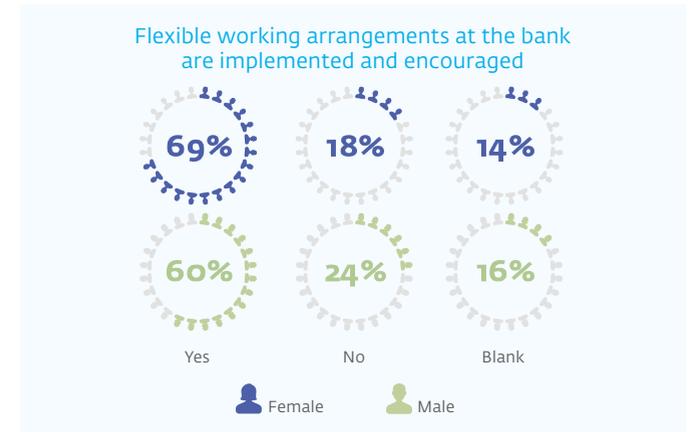
number of hours to part time status.

When IFC surveyed Standard Chartered Bank Tanzania's employees in 2020, 47 percent of women and 40 percent of men were using the flexi-work options. One male non-manager employee commented, "The flex-work experience is fantastic, given there is the advantage that a woman can work from home. Of course, most people during the COVID-19 period were given prioritized work from home, particularly, the pregnant women. Personally, this helped me in terms of doing my role and supporting my wife and family during that time."

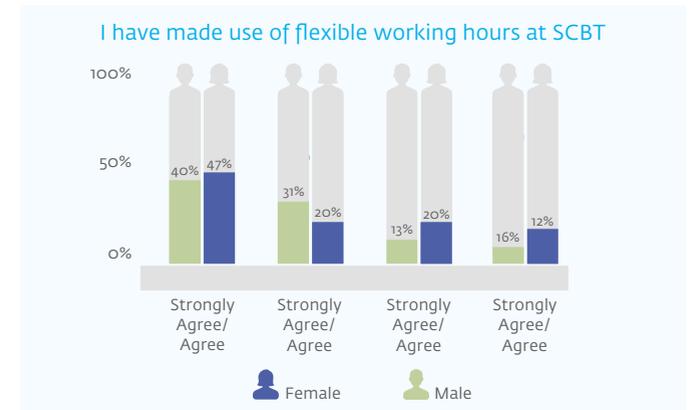


The unplanned, large-scale work-from-home pilot confirmed that "work is no longer a place where you go to get things done. Work can be done anywhere – in the office, at home and in designated remote work sites. COVID made it easier for us to work flexibly. It helped us fast-forward to the future and we are working to extend these longer-term, flexi-work arrangements more permanently," says Lilian Makau, Standard Chartered Bank Tanzania's Head of HR.

For its Future of Work initiative, the bank is considering offering new options for an employee's work location. For instance, sometimes staff cannot work from home for a range of reasons such as power blackouts, internet connectivity issues, distractions, or domestic abuse, and in response, the bank plans to offer remote work satellite locations that are closer to home. This is another way Standard Chartered Bank Tanzania is helping staff work more flexibly.



Greater flexibility is good news for working parents but especially for mothers with newborns at home. The bank already encourages pregnant women who need accommodations and mothers returning from maternity leave to work from home. Lilian adds: "It depends on the function and role (some roles such as cash management require a physical presence) but overall, we are very flexible with new mothers." Parents can use a combination of working from home, flexible time shifts, and reducing the



Returning Mothers Program: As part of its family-friendly work culture, Standard Chartered Bank Tanzania works to ease returning mothers back into the workplace. Recognizing that the women returning from maternity leave want to continue with their career, the bank works to ensure that the mother feels valued and supported by the company.

Since gaps develop while the mother is on leave, the mother's e-mail continues to be functional during maternity leave and she is free to stay connected to the extent desired. Once she is ready to return to work, the bank has a program to facilitate a smooth transition. The bank supports managers with a training program and a parental leave toolkit which is standardized across the group to help guide steps and processes.

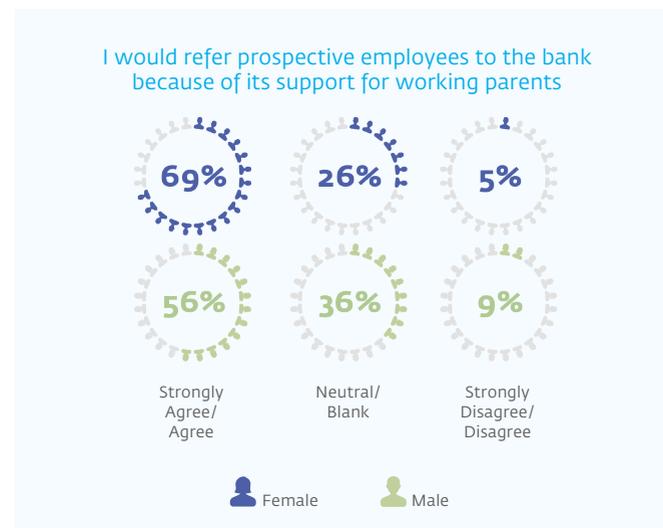
A smooth transition includes a phased start. For instance, Standard Chartered Bank Tanzania tries to schedule the first day back at work in the middle of the week. Managers help employees catch up with what has been happening. The employees' manager may hold a short welcome back with other staff and provide an opportunity to reconnect with work colleagues. There may be a return to work induction, a formal briefing on changes which occurred in her absence, an update on business structure and a review of current roles and responsibilities. The handover transition with the staff member who was providing temporary coverage begins. To provide personal support in the parenting journey, the D&I Council offers a range of lectures to help employees make the most of their parenting experiences.

As part of the discussion with managers, returning mothers are asked what practical support they may need to carry out their job functions. The transition phase is an opportunity for managers to hear about any concerns that the employee may have, discuss flexible working arrangements, and identify any technology and training needs.

Regarding performance evaluations, these may only be based on actual achievements prior to and following maternity leave. Assessments may not include the time the mother was on maternity leave or breastfeeding time. To ensure

that the performance period is a fair reflection of the correct performance period, that mothers are not put at a disadvantage, and that accomplishments are fresh in everyone's minds, managers may meet with employees to document and discuss progress on targets prior to the mother going on maternity leave. Once the mother returns from leave, the employee and her manager set new objectives and targets. Expectations and commitments are discussed to ensure a clear understanding. Finally, human resources flags employees who are on maternity leave in its system and supervises managers and reviews performance ratings to ensure fair treatment.

This support is allowing Standard Chartered Bank Tanzania to enjoy strong return rates, which is defined as mothers who stay with a company for at least a year after completing maternity leave. Between 2017 and 2019, 100 percent of the 19 women who went on maternity leave returned to work. Mothers know they will be supported when they return. The bank is also held in high regard among working parents with nearly 70 percent of women who said that they would refer prospective employees to the bank because of its support for working parents.



3. Strengthening corporate culture through male allyship: For the Standard Chartered Bank Tanzania CEO, Sanjay Rughani, gender equality is not just about women. He is concerned that gender strategies that only support women have the effect of alienating men. The bank is committed to including men in the journey by giving men tools, not only to be allies but also to build a rapport and learn how to work collegially, while supporting them in their family roles as husbands and fathers.

In 2019, the bank hosted its first ever International Men's Day celebration called Men in Focus. Standard Chartered Bank Tanzania invited renowned male leaders from finance, healthcare, and other professional services to speak on men and health, leadership, and family. A leading woman diplomat was also invited to speak on how men can find balance with the women in their lives. There was a volunteer portion of the celebration, where male staff went to a boys' high school to provide financial education and talk about "growing into responsible men in society." In 2020, the bank hosted an expanded and virtual celebration, incorporating a regional audience and focusing on men's mental health.

4. Developing women leaders for the sector: Standard Chartered Bank Tanzania's culture is also cultivating women leaders more broadly in the financial sector in Tanzania. For instance, in IFC's report on *Leading Tanzanian Women in Financial Services* (June 2021), IFC found that out of 22 women leaders who were profiled, seven had previously worked for Standard Chartered Bank Tanzania. The former Standard Chartered Bank Tanzania CFO went on to become the first Tanzanian female CEO of one of the largest banks in Tanzania, while another became the Managing Director of a large regional bank, and yet another became a Principal Investment Officer at the African Development Bank.



Recommendations

Evidence gathered from this case study demonstrates that there are clear benefits in investing in family-friendly workplace policies and practices. They can help companies build a strong pipeline of women leaders, position companies as employers of choice for women by helping attract and recruit talented women, improving retention rates for women and strengthening corporate culture in support of a gender-equal workplace.

From the evidence, employers in the financial services sector can unlock these benefits through the following six strategies:

- 1 Implement a holistic strategy that addresses a wide range of childcare needs. These include extended parental leave policies, returning mothers programs, company-wide flexible working policies and onsite facilities including lactation rooms and on-site childcare facilities
- 2 Pay attention to the "children penalty" by ensuring that performance appraisal processes and rewards do not penalize women for time spent away on maternity leave
- 3 Target men with parental leave policies and encourage them to utilize flexible work solutions to re-distribute the burden of childcare
- 4 Put in place accountability mechanisms for senior managers and supervisors to ensure that strategies are operationalized in line with the company policies and aspirations
- 5 Track and monitor progress in the implementation of strategies and measure the impact on the business and employees
- 6 Build the internal capacity of employees to increase awareness and knowledge of the business case and increase internal buy-in



Conclusion

“The business case for gender-diversity in the workforce is strong and this case study showcases how companies can create family-friendly workplaces and demonstrates strong business benefits accruing from investing in supporting working parents,” says Amena Arif, IFC Country Manager in charge of Tanzania. Indeed, Standard Chartered Bank Tanzania recognizes that retaining high impact women on its talent bench is important to its own bottom line and for the growth of the sector. The bank has already noted the impact some women have had on the company and the sector. In the future, the bank may begin to systematically track the impact women have had on improving performance and profitability. This will allow the bank to demonstrate the power of having women in

decision-making roles and the importance of helping them get there.

One female staff member said, “As long as you are fit for the job and have the qualifications that respect is definitely there.” A woman manager remarked, “I believe we all have equal opportunities for our growth. Standard Chartered Bank Tanzania is not my first employer. Things are better here such as the way we are working, the principles, and the rules to manage career growth.” A male colleague in operations added, “When it comes to issues of gender what I experienced is different from other organizations. Gender balance in terms of opportunities and considerations is considered normal here.”

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