represented in lower-skill and manual labor positions. The company provides maternity benefits in accordance with the law, including 16 weeks of paid maternity leave with provisions for another six months of unpaid leave. Breastfeeding mothers can take an hour and a half daily to nurse a child up to a year old. Fathers receive five days of paid paternity leave. The company does not provide childcare services or subsidies.

Employees in Turkey generally depend on family members, including older children at home, for childcare. Public childcare and education are available for children five and older. However, school hours are generally shorter than work hours, so family members must still help with drop-off and pickup. Where these support mechanisms are not available, women may quit their jobs to take care of their children.

In 2017, the company faced a turnover rate of over 26 percent of all women employees. Data from the human resources department and our interviews with workers and managers showed that 91 women quit every year for care-related reasons. The direct cost of recruitment and training, and the lost productivity as workers gradually learned all the skills required, came to almost $1 million a year—representing 14 percent of the company's annual revenue. The average yearly cost of childcare for a child six months to three years old is $1,100, which means that the cost of childcare is lower than the total cost to firms of turnover and lost productivity. In another example, a small textile firm we worked with spends $258,000 a year on childcare for its employees but saves more than $800,000 as a result of lower women's turnover.

Moving forward

The EBRD operates in many countries that currently don't have enough public investment in care provision. The private sector can help fill in some of these gaps by either providing care services for employees or subsidizing access to these services. This can complement and reinforce existing public sector programs.

The provision of childcare can include a mix of solutions ranging from on-site care to subsidies. The extent to which this cost is shared between the private and public sectors is a matter of choice in each country. But as long as resolving care needs falls on individual households, the cost to firms will not be trivial, and they have a substantial stake in the resolution of these care deficits.

More broadly, this ongoing research highlights how lack of care and family-friendly workplace policies affects the company, community, and economy.

At the firm level it is evident that many companies need guidance about how to track the full costs of failing to address care needs and how best to accommodate more work-life balance policies. Many of the companies we engaged with had a particularly hard time calculating the costs of turnover or demonstrating the benefits of longevity and retention. They were even more challenged when asked about tracking measures of individual and collective productivity. At the community level, more research should look at the costs and benefits of greater access to care and improved functioning of labor markets. And at the macro level, we should calculate the benefits of investing in care in terms of the jobs and fiscal space created.

It is only by making the economic costs and benefits of care provision more visible that we will be able to change the dialogue around investing in care, and around redistributing roles and responsibilities between the market, the state, and the household with the goal of supporting universal access to quality care. Demonstrating that the failure to resolve care deficits affects the private sector as well may also be fundamental to ensuring the design of more holistic solutions that include taxation and subsidies to complement the public provision of care. FD

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Banking on the Future of Women

Digital financial services are cutting out the middleman to equalize opportunity

Sarah Hendriks

COURTESY OF THE BILL & MELINDA GATES FOUNDATION

POVERTY IS NOT a single fact or condition, but rather a collection of them: a lack of financial assets, a lack of access to property, and a lack of voice in one's community.

Today, as it always has, poverty impacts women the most. Worldwide, women earn 63 percent less than men, yet they spend three times as many hours on unpaid labor, such as housework. Decades of research also show that poverty impacts women differently than men and that it deprives women of fundamental opportunities throughout their lives.

Conversely, we know that when women have the power to make, spend, save, and control their own money, they make gains not only for themselves but also for their communities. The McKinsey Global Institute estimates that fully incorporating women into the economy would add $12 trillion to global GDP by 2025. In other words, realizing gender equality lifts all nations.

One way in which we can help women unleash their power to control their own economic futures is to invest in financial inclusion. At the Bill & Melinda Gates Foundation, we are placing emphasis on the inclusion of women in the developing world, where 4 in 10 women do not have a financial account of any kind. With nearly a billion women lacking access to formal financial services, we need solutions that can apply on a large scale.

Digital financial services—including mobile money, debit and credit cards, and e-commerce platforms—can help a business grow far more efficiently than brick-and-mortar branches and can result in fees that are as much as 90 percent lower than those associated with cash-based services and transactions.

In Liberia, teachers travel up to 10 hours each way to collect their earnings in cash—a trip that often requires missing work and spending as much as 15 percent of their wage along the way. When salaries were digitalized, teachers saved an average of 13.5 hours every two weeks and reduced the cost of collecting their income by 90 percent. That's more than half a day they can now spend in the classroom or with their families.

When a woman has a personal account to store her own income, she can also gain more agency in her life. In Bangladesh, women comprise most of the garment factory workforce but, per local social norms, often hand over their cash wages to a husband or parent. As a result, they have very little say in how the money they earned is saved or spent. However, research from the Better Than Cash Alliance has shown that in garment factories where wages are digital, workers are 69 percent less likely to report that they cannot save money because a family member controls their salary.