The Business Case for Investing in Women’s Employment in Iraq

COMPANY INSIGHT

Zain Iraq

Fostering Family-Friendly Policies for Women in the Workplace
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Acknowledgements

This company insight was prepared by Tala Mitwally, Yasmin Mohamed, Yasmine Ossaily, and Tamara Azar based on the work of Management Partners. The publication benefited from inputs and comments by Nour Al Moghrabi and Sammar Essmat, and was edited by David Wood. The work was conducted under the general guidance of the Poverty and Equity Global Practice Manager Johannes Hoogeveen, and supported by the Mashreq Gender Facility team lead Jonna Lundwall and Iraq country lead Gharam Alkastalani Dexter, and IFC's Gender and Economic Inclusion Group Manager, Henriette Kolb.

The company insight was prepared as part of the Mashreq Gender Facility (MGF). This Facility provides technical assistance to Iraq, Jordan and Lebanon to strengthen the enabling environment for women's economic participation and improve women's access to economic opportunities. The MGF is a World Bank - IFC initiative in collaboration with the governments of Canada and Norway. It is mainly supported by the Umbrella Facility for Gender Equality (UFGE) with contributions from the governments of Australia, Canada, Denmark, Finland, Germany, Iceland, Latvia, Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom, the United States, and The Bill & Melinda Gates Foundation.
FOREWORD BY THE WORLD BANK GROUP

The International Finance Corporation and the World Bank are working with local partners to remove barriers to women’s participation in Iraqi workplaces and build a community of companies that are dedicated to hiring, retaining, and promoting women.

Even before the pandemic, there was an urgent need to level the playing field for working women in Iraq. The labor force participation for women in Iraq in 2017-2018 was 12.6 percent compared to 72.8 percent for men, whereas it is over an eight-year average (2010-2018) 12 percent for women compared to 77 percent for men. That is one of the widest gender gaps in the world – and it has deep social and economic implications. We at the World Bank Group recognize that access to economic opportunities is essential for allowing both men and women to live dignified lives and become active social agents. Attracting, retaining, and promoting women is also good for companies. It allows them to harness talent, making them more productive and competitive.

In the bigger picture, raising female employment also contributes to economic growth and supports poverty reduction. Our recently published State of the Mashreq Women Flagship Report found that if Iraq raised its female labor force participation rate by 5 percentage points in 2025, its annual economic growth rate would increase by 1.6 percentage points by 2035. Amid the ravages of COVID-19, boosting female employment would act as a catalyst for Iraq’s economy, making it stronger and more inclusive. That is especially important given that years of conflict have already hampered economic growth in Iraq.

As difficult as the pandemic has been, it has allowed us to re-imagine workplaces and to reflect on what those mean for Iraq’s women. We have been inspired to see the agility of some Iraqi companies, many shifting to more flexible, home-working and family friendly work modalities, thereby creating inclusive work models that are responsive to the needs of women.

Under the Mashreq Gender Facility’s activities in Iraq, we have launched a series of company insights to showcase Iraqi companies that have created gender-responsive workplaces which support women and men. The company insights feature companies that are promoting greater inclusion of women in their workforce in three thematic areas:

- Supporting women in non-traditional sectors, as Nafith Logistics Company is doing;
- Promoting women in leadership positions based on Ashur International Bank for Investment’s experience; and
- Fostering family-friendly policies for women in the workplace as exemplified by Zain Iraq.

We hope these company insights will inspire and encourage other businesses in Iraq to develop more gender-aware environments based on insights into workplace models that work. Our utmost gratitude goes to the three companies that were profiled in these company insights for generously sharing their data and good practices, and for championing this important agenda. We also extend our gratitude to the governments of Canada and Norway for supporting the Mashreq Gender Facility (MGF), under which we are launching these company insights. The MGF is a five-year initiative to support the governments of Iraq, Jordan and Lebanon in their efforts to create a more enabling environment that contribute to increased female labor force participation.

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1 (WORLD BANK GROUP 2024-2019)
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Zain Iraq

Fostering Family-Friendly Policies for Women in the Workplace

**FAMILY-FRIENDLY WORK IN IRAQ**

Increasingly, businesses worldwide recognize mutual benefits for companies and employees that participate in family-friendly work arrangements. Staff with children can excel as employees when they are supported in carrying out their caregiving duties, such support includes policies on employer-provided childcare, flexible working hours, remote work opportunities, and extended parental leave (ILO, 2015). Such policies enable staff with care responsibilities to work more effectively and productively and advance their professional careers. For their part, companies benefit from access to more talented staff and an improved corporate reputation. Often, women stand to gain disproportionately from family-friendly work arrangements, given that in many societies women are still the primary caregivers (OECD, 2002). IFC, a member of the World Bank Group, reported that improving access to childcare goes hand in hand with fostering workplace gender diversity and helping parents enter and advance in the workforce while enabling companies to strengthen their bottom line (IFC, 2017).

While Iraqi women are expected to be the primary caregivers in the family, most employees with children do not have access to flexible work arrangements, paid parental leave, and childcare support (UN Women, 2019). Without these policies, caregiver staff members — and especially women — tend to resign, ceding their professional careers to focus on raising children. Today, Iraqi women constitute just 12.6 percent of the labor market, one of the lowest participation rates globally (Republic of Iraq, 2018). Family-friendly work arrangements can potentially address this enormous challenge to female empowerment in Iraq.

The Iraqi public and private sectors alike have started focusing on enhancing gender diversity in the workplace. In 2015, the Iraqi government introduced workplace harassment laws and supporting flexible work programs and childcare centers (Government of Iraq, 2019), in an effort to increase female labor force participa-
Businesses are increasingly recognizing the value of introducing family-centered policies, to improve employee retention, boost productivity, and enhance overall business performance.

At the forefront of these developments has been the technology, media, and telecommunications sector – amongst the fastest growing industries in Iraq, employing an estimated total of more than 21,000 employees in both public and private sectors with about 33% women employment. This company insight showcases Zain Iraq, which is a telecom company that has realized the importance of supporting caregivers in the workplace and were the first to adopt childcare policies in the sector. The company’s family-friendly policies have improved staff experiences, while also boosting Zain Iraq’s bottom line. The sample size however is not statistically significant and cannot be used to draw definite conclusions but rather provides anecdotal evidence on the topic of this study.

**COMPANY BACKGROUND**

Zain Iraq is the leading telecommunications company in Iraq. Zain Iraq forms part of Zain Group, the leading mobile telecom innovator in the Middle East and Africa. Zain Iraq is among the largest private sector companies in Iraq. The company specializes in providing support and assistance to emerging small and medium enterprises (SMEs) and has enjoyed consistent growth in terms of sales, business reach, and job opportunities – especially for younger Iraqis.

As a Zain Group subsidiary, Zain Iraq adheres to key diversity & inclusion (D&I) objectives. Zain Iraq strives to promote the UN Sustainable Goals through its business by reducing inequality, respecting the environment, fostering innovation, and building prosperous communities. Zain Iraq has designed these policies around four key pillars, which falls specifically under D&I umbrella and it is one of the first companies in the region to establish a Diversity and Inclusion Division within its organizational structure: (1) climate change, (2) sustainable business, (3) inclusion, and (4) youth (Zain Group, 2020).

Within this D&I framework, Zain Iraq established its own “Gender Diversity and Inclusion” program in 2017, which was initially launched under the title of “Women Empowerment (WE) 2020 — WE INITIATIVES.” The WE initiatives program heavily informs Zain Iraq’s approach to supporting staff with family-friendly work arrangements, which ensure that parents – and especially women – can participate equally in the workplace.
“Our corporate values of Heart, Radiance and Belonging hold diversity at their core. We believe in the importance of a diverse workforce and what it brings to both culture and business. Hence, we will continue our D&I journey, inspiring other organizations in Iraq and MENA to prioritize D&I programs and initiatives for the impact they have on individuals, teams, companies, and communities.”

Rasha Barakat, Chief Human Capital Officer

WHY ZAIN IRAQ?

The World Bank Group (WBG) had conducted several interviews with leading Iraqi private sector companies that could be the subject of this study. Based on a selected set of criteria such as company policies and availability of quantitative HR data, company gender diversity efforts on relevant topics, previous experience with the WBG in particular the IFC Gender team, size of the company. Zain Iraq proved to be a prominent Iraqi private sector company that has made great strides towards gender diversity, in particular fostering family-friendly policies for women in the workplace. As such, Zain Iraq was selected to be the subject of this company insight.

KEY INITIATIVES TO FOSTER A FAMILY-FRIENDLY WORKPLACE

Zain Iraq has adopted several initiatives aimed at supporting caregivers through family-friendly work arrangements.

Leadership commitment to embedding family-friendly policies:

Zain Vice-Chairman and Group CEO, Bader Al-Kharafi, has always believed in the importance of a diverse and inclusive work culture. In 2018, Mr. Al-Kharafi commented on Zain’s new HR policy regarding the application of flexible hours for working mothers with children up to the age of four years, “As a leading innovative corporate entity in the region, it is incumbent on us to provide more supportive working environments for female employees and forging an inclusive working environment.” Under his leadership, the first Zain Group Chief Diversity and Inclusion Officer was appointed for the Group and the first female Chief Human Capital Officer was appointed for Zain Iraq.

Extended Parental Leave:

Since 2018, Zain Iraq has provided exemplary maternity leave policies that ensure new mothers can attend to their caregiver duties. Under the policy, employees are entitled to a total of 120 calendar days of fully paid maternity leave including 70 maternity days and 50 childcare days (well above the legally required 98 days). According to Zain Iraq management, these family-friendly work arrangements have led to an annual cumulative growth rate of about 60% in the recruitment of women with children. In addition, Zain Iraq encourages male staff members to take two days of paid paternity leave when their child is born, which is not required under Iraqi labor law.

Health and Childcare Support:

Since 2019, Zain Iraq has instituted a company-wide childcare policy that helps employees balance their work and parental obligations. In September 2019, Zain Iraq established an on-site nursery at company headquarters in Baghdad. Staff members can send their children to the nursery for a nominal fee, between the ages of 3 months and 4 years. From 2018 onward, with large improvements in the country’s security, the numbers have
increased steadily by 6% annually to reach 26 children in 2020. This year, 30 children are attending the on-site nursery. Parents can register their kids in Zain nursery with nominal fees. For healthcare support, Zain Iraq provides comprehensive medical insurance to staff members and their families.

Flexible working hours:
Zain Iraq allows staff members with children to work more flexible hours in an effort to balance work and home life responsibilities. Employees can choose to begin between 8.00 am and 9.00 am each day, which provides working parents with more flexibility to drop off their children at school. Women returning from maternity leave are entitled to work 7 hours including a lunch break for two years after giving birth. In addition to these guaranteed benefits, staff members can negotiate flexible working hours and work-from-home arrangements with their managers, so that they can meet their care responsibilities (during COVID).

Equal opportunity and a safer workplace:
The company ensures that caregivers can continue working by providing an equal opportunity workplace. Zain Iraq has developed genuine family-friendly working arrangements that have succeeded in progressing women through the management pipeline. For example, the Centered Leaders Program which is a 2-year women leadership program that addresses the needs for the different levels of employment across Zain. Six Iraqi female employees from junior and mid management levels were selected to join the 40 high potential female leaders from the global Zain Group. This two-phased program includes the learning phase to ensure female participation within the training calendar and succession plan, followed by a ‘Mentorship’ for the duration of 3 months. Additionally, Zain Iraq has instituted various policies under the "Women Empowerment WE 2020 – WE INITIATIVES," which would contribute to appointing 25% more women to leadership positions by 2025. The WE initiatives, that targeted women from across all Zain operations globally, have included internal discussion series and presentations aimed at promoting a gender-diverse work environment. Zain Iraq adheres to fair remuneration policies, which ensure that all staff – regardless of their gender – receive equal pay opportunities. Finally, Zain Iraq has implemented an anti-discrimination and harassment policy, which allows staff to register complaints confidentially and have issues resolved impartially. Taken together, these safe work policies reiterate that working parents should feel included at Zain Iraq and supported in their dual responsibilities.

“As per our sustainability strategy, Diversity & Inclusion concept is not limited to Zain’s internal environment, but it is one of the sustainable development goals, which we consider for every single project, activity, service, and product to make sure that we are reachable and accessible by all. Thus, shared values between the corporation and society are achieved.”

Rana Mufeed, Head of Corporate Sustainability Department

THE BUSINESS BENEFITS OF FOSTERING A FAMILY-FRIENDLY WORKPLACE

Introducing family-friendly work arrangements has had several positive impacts on Zain Iraq’s business, including the following:

Improved Corporate Reputation
By providing family-friendly work arrangements, Zain Iraq has impressed customers and other industry figures with the company’s commitment to staff welfare. Already, Zain Iraq has received considerable media attention for its willingness to
support employees in maintaining a healthy work-life balance. Notably, Zain Iraq's CEO Ali Al-Zahid was named the Middle East's Best CEO in the Telecommunications Industry by the Dubai-based CEO Middle East magazine in 2019. The award recognized Zain Iraq's progressive management style, which has led to policies of gender diversity, female empowerment, and fostering a family-friendly environment – all while presiding over business growth and profitability. Zain Iraq's positive press coverage indicates that the company's overall reputation has benefited from supporting staff members with family commitments.

**Increased Productivity**

Zain Iraq's HR team reports that working parents can focus on work more easily during office hours thanks to the company's childcare support policy. Previously, caregiver staff members had worried about leaving their children while at work, dividing their attention between employment and personal duties as noted during HR's periodic employee's engagement meetings. Zain Iraq's nursery service has alleviated this stress, giving parents peace of mind that their children are being cared for nearby. On average, around 13–20 percent of Zain Iraq's working mothers and fathers have been placing their children with the on-site nursery in recent years.

“Being a mother of three children and an employee, I would not have returned to work if Zain Iraq had not provided me with nursery services. Now, I am more confident that my children are safe and that I can reach them in no time in case of an emergency.”

Dina Ghaleb Omer

**Greater staff retention**

Family-friendly work arrangements have enabled Zain Iraq to retain more female staff, who otherwise might leave the company to focus on raising children. Zain Iraq's HR team reported that the company has witnessed far fewer resignations by female staff in recent years. In 2018, 178 women (representing 23% of total female workforce in that year) quit the company, which has dropped to just 80 females leaving last year. Zain Iraq takes particular pride in retaining female staff members who have just returned to the office from giving birth as a result of the flexible work arrangements, family-friendly policies and on-site nursery. At present, 47 percent of Zain Iraq's female employees have children, indicating that this considerable group has struck a balance between familial and work obligations.

**Wider talent pool in leadership positions**

Zain Iraq benefits from accessing a wider talent pool, given that qualified women continue to work and grow with the company instead of resigning to raise children. Family-friendly work arrangements have helped the company to achieve gender equality more broadly among the younger generation of Zain employees (aged 20–30), with 49.2 percent of female employees in 2020 having stayed for 5 years or more compared to male employees who have stayed for 7 years or more. Furthermore, in the last three years, the company has attracted more women, increasing the number of newly hired females from 32% of total hires (40 female hires out of 126 in 2017) to 49% total hires (107 female hires out of 219 in 2020), a figure approximately equal to the number of males.
LESSONS LEARNED

- **Ensure leadership commitment:** when leadership actively participate in fostering family friendly working environments and lead by example, they send a powerful signal about the importance of this culture for the business and community.

- **Empower management and secure their buy-in:** Family-friendly work policies cannot operate effectively without sincere, unqualified buy-in from company management. Creating a supportive management culture is key to ensure related initiatives are appropriately resourced across the organization. While deep cultural change is possible only if management is empowered to be part of the solution.

- **Support staff through communication and tools:** Family-friendly work arrangements rely on trust and openness between management and staff. Companies should strive to foster a culture of collaboration, understanding, and tolerance between management and employees, as well as amongst employees themselves. Providing training and grievance redress mechanisms complements these efforts to ensure equal opportunities and a safer workplace.

- **Be flexible:** Companies must devise overarching policies, while retaining a level of flexibility for matching independent circumstances. Not all parents face the same challenges, meaning that a ‘one size fits all’ approach will not work effectively.

- **Track progress:** HR departments should create and maintain databases and tracking methods that illustrate how family-friendly policies can improve a company’s bottom line and frame their goals and objectives accordingly. Measure your impact!

- **Involve men in gender-initiatives:** An important factor in creating change is increased participation from men as gender diversity advocates. Accordingly, men should be engaged from the start of any company’s gender-equality journey both as managers and as colleagues. And, after all, working fathers also stand to benefit from family-friendly work arrangements.

WHAT’S NEXT FOR ZAIN IRAQ:

Zain Iraq has immediate plans for developing family-friendly work policies even further. The company intends to allow mothers of newly-born twins to become automatically entitled to an additional month of remote work before returning to the office from maternity leave. More generally, the COVID-19 pandemic demonstrated to Zain Iraq’s management that remote work arrangements can offer a long-term solution for caregiver staff members to balance their familial and work obligations. In fact, Zain is currently in the process of finalizing rules and regulation for adopting work from home strategies on full time basis. In fact, Zain is reviewing potential rules and regulations that would allow such strategies to be implemented.

Another plan for zain Iraq for 2022 is to substitute the childcare facility with cash allowance granted to mothers of babies whose age ranging from 4 months up to three years, which will assist Zain Iraq to cover the employees of all Zain offices throughout Iraq and include more women beneficiaries.

CONCLUSION

In the modern, highly competitive professional job market, business owners need to explore ways of empowering female employees, including through facilitating a better work-life balance. A flexible and “family friendly” workplace attracts high-performing employees of both genders, increases the probability of retaining experienced employees, and enhances women’s economic empowerment. Zain Iraq positions itself as an organization attuned to the needs of Iraqi women, as evidenced by its progressive and innovative human resources policies, which help women balance their careers and their family responsibilities. The case of Zain Iraq mirrors the approach of Zain Group: it has examined competition from not only a business and profitability perspective but also from a human perspective. Accordingly, Zain Iraq is pursuing organizational objectives that include having a sustainable impact and creating lasting change.
SOURCES


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